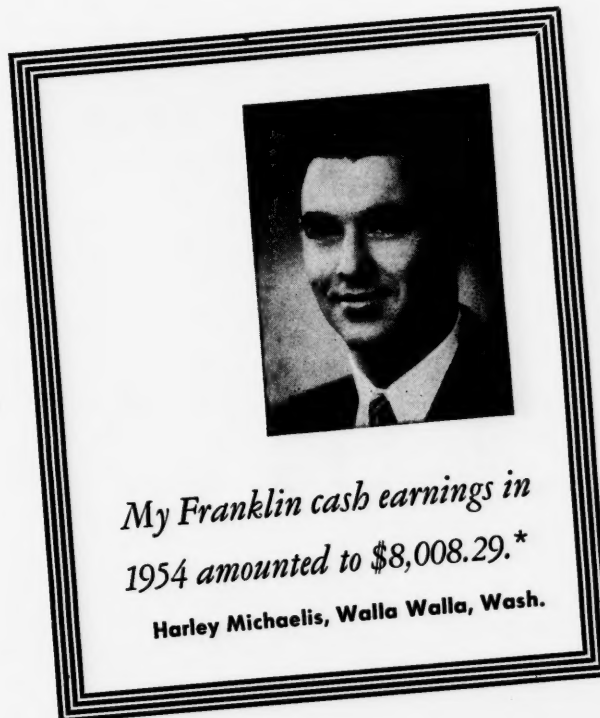


The NATIONAL UNDERWRITER

Life Insurance Edition

Do Franklin Representatives
REALLY make so much money?



* Mr. Michaelis ranked 350th in earned income for the year 1954



The Friendly
FRANKLIN LIFE INSURANCE COMPANY

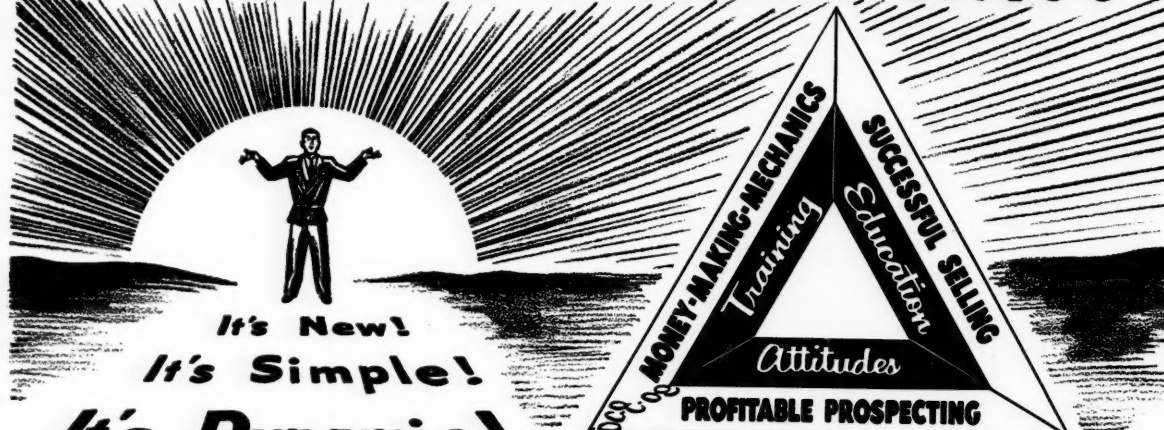
CHAS. E. BECKER, PRESIDENT SPRINGFIELD, ILLINOIS
DISTINGUISHED SERVICE SINCE 1884

*The largest legal reserve stock life insurance company in the U.S. devoted
exclusively to the underwriting of Ordinary and Annuity plans
Over One Billion Eight Hundred Million Dollars of Insurance in Force*

FRIDAY, JULY 1, 1955

Mr. AGENCY BUILDER:

Find YOUR place in the sun—
THE GOLDEN TRIANGLE WAY!



*It's New!
It's Simple!
It's Dynamic!*

Something that Field Men have desired—and wanted for years! Most complete, most effective, most talked-about Career Development Plan in the Insurance World today! A time-saver and a money-maker for *both* YOU and YOUR AGENTS!



**with the
GOLDEN RULE COMPANY**

*BRIGHTEN your TOMORROW
by WRITING TODAY*

**The COLUMBUS MUTUAL
Life Insurance Company**

Carl Mitcheltree, *President*

Columbus 16, Ohio

Ben F. Hadley, *Vice-Pres. & Sup't. of Agents*

PLUS \$ Non-contributory Pension Plan
—Liberal Disability and Retirement Benefits—up to \$400 per month. Renewal Income guaranteed for Life—plus continuation of active Agency Contract if desired.

\$ Golden Rule Agent's Contract
—attracts strong men—holds your better men—each agent you appoint becomes an agency builder for himself and a recruiter for you.

\$ Money-Making Sales Packages
Business Building Direct Mail and Many Other Agency Building Helps

**PLUS Home Office Field-Help in
Recruiting, Training and Building
YOUR AGENCY**

AGENCY BUILDING OPPORTUNITIES IN:
Arizona, California, Delaware, Florida, Illinois, Indiana, Iowa, Kansas, Kentucky, Maryland, Michigan, New Jersey, North Carolina, Ohio, Pennsylvania, Texas, Virginia, Washington D. C., and West Virginia.

The NATIONAL UNDERWRITER

59th Year, No. 26
July 1, 1955

The National Weekly Newspaper of Life Insurance

Lincoln National Marks 50th Year, \$7 Billion in Force

1,800 at Chicago
Hear Menge Review
Notable Growth Record

Lincoln National Life observed its 50th anniversary this week with ceremonies in Chicago and Fort Wayne that also climaxed a successful drive which put the company over the \$7 billion insurance in force mark. Some 1,800 persons attended the convention, including more than 700 qualifying agents.

Indicative of the company's rapid growth, an original golden anniversary insurance in force goal of \$5 billion was revised to the higher figure. The



W. O. Menge



C. F. Cross

company registered its largest production volume during May, a month honoring President Walter O. Menge.

Besides morning business sessions Monday through Thursday, which featured sales talks and addresses by home office officials, the agenda included a homecoming visit to the home office in Fort Wayne.

Mr. Menge described the company's growth and development, management methods and pioneering projects, noting that it got its start by taking over \$125,000 of life insurance written by a fraternal society. Within 50 years, the company has grown to ninth in size among all U. S. life companies in insurance in force. Last year production exceeded \$1 billion, and there has been a seven-fold increase in business in force since 1939. Assets are in excess of \$1 billion, the company has 2,500 agents, 2,000 employees and branches in 46 states, Panama Canal Zone, District of Columbia, Hawaii, Philippines, Puerto Rico and the Virgin Islands.

Mr. Menge recalled that Lincoln National Life reinsurance acquisitions began in 1914 when Michigan State Life was acquired. Prior to 1951, the company entered into 11 other reinsurance transactions, gathering up in the process \$400 million of business. In 1951 the company negotiated what has been termed the "largest reinsurance transaction in the world," purchasing Reliance Life of Pittsburgh for \$27.5 million, and acquiring business in force of more than \$1 billion and assets of \$332 million.

While there is no doubt of the importance of reinsurance transactions to the growth and development of Lincoln

(CONTINUED ON PAGE 16)

Ask Life Insurance Inclusion in Self Retirement Tax Law

WASHINGTON—If Congress enacts individual retirement legislation, life insurance should be included as one of the methods by which individuals would be permitted to accumulate their own retirement funds, according to American Life Convention and Life Insurance Assn. of America.

In a statement filed with the House ways and means committee in connection with hearings on the Reed-Jenkins-Keogh self-retirement legislation, the organizations expressed accord with the underlying philosophy of the proposed legislation, which would allow individuals who are not covered by company retirement plans to exclude a portion of their annual income from federal income taxes if they set up self-retirement savings plans.

However, ALC and LIAA said the legislation should be amended so that individuals who establish their own retirement plans to gain the advantages of the proposed tax law would not be deprived of the right to select life insurance because it is one of the most important and extensively used methods of providing personal retirement benefits.

"Many taxpayers have already established retirement savings plans involving life insurance or other forms of investment which would not qualify under these restrictions," the joint statement said.

"It is essential that existing programs, designed to protect dependents

(CONTINUED ON PAGE 16)

17 Life Company Stocks Show Gains in Month

Seventeen of the most actively traded life company stocks, for which figures are compiled by Shelby Cullom Davis & Co., New York City insurance stock and municipal bond specialists, showed increases in asked prices in the past month. One showed a decrease and one showed no change.

Below are the bid and asked prices at the close of business June 29 and the changes in asked prices since June 1.

	Bid	Asked	Changes
Aetna Life	265	275	74
Colonial	124	129	17
Columbian Nat.	95	99	-2
Conn. General	565	580	100
Continental Assur.	170	175	27
Franklin	128	130	20
Great Southern	92	95	3
Gulf Life	30 3/4	31 1/4	4 3/4
Jefferson Standard	108	111	10
Kansas City Life	1360	1400	90
Life & Casualty	30 1/2	31 1/2	3 1/2
Life of Virginia	128	132	13
Lincoln Nat.	447	455	53
Monumental	98	103	10
National L. & A.	98 1/2	101	11 1/2
Northwestern Nat.	89	92	none
Southland Life	165	170	10
Southwestern Life	175	180	17
Travelers	2625	2665	240

SAYS EXPERTS OKd PLAN

Top Cal. Court Puts OK on Pacific Mutual Mutualization Plan

California supreme court in a split decision 4 to 3 has upheld the mutualization plan for Pacific Mutual Life. Chief Justice Gibson in the majority opinion said there was no merit to old stockholders' complaints that the record failed to support the insurance commissioner's approval of the plan.

The opinion also said the price determination committee consisted of men highly skilled in matters of insurance company valuation. Experts justified that the price fixed for the purchase of the stock was fair, that the proposed plan gave due regard and protection to the rights of all persons interested in the new company and would be fair in the operation.

Justice Carter in a 55 page dissenting opinion called the majority opinion a masterpiece of legal legerdemain.

Asa V. Call, president of Pacific Mutual, commenting on the decision, said it is unfortunate that litigation initiated by the dissenting stockholder group has so long delayed putting the mutualization plan into effect.

"The legitimate interest of the old company stockholders always has received and will continue to receive full consideration by the company," he said. "It is part of the mutualization plan itself that the stockholders will eventually receive more money for every year by which complete restoration of non-cancellable disability insurance benefits precedes in time the date originally estimated by the authors of the plan. It will be the company's policy to complete non-cancellation restoration just as quickly as this can safely be accomplished."

The mutualization plan was developed over a three-year period beginning in 1947 by a group of outstanding insurance and financial experts, and was subsequently approved by the California insurance commissioner after an extensive public hearing during 1950. It was also approved by Pacific Mutual policyholders and by the company's trustees and directors. In 1952 it was additionally approved by the California superior court as the result of a petition on the part of dissenting stockholders who had sought to set aside the commissioner's approval. The judgment of the superior court in sustaining approval of the plan by the commissioner was affirmed by the appellate court on May 15, 1954, and now by the state supreme court.

Pacific Mutual is today in a position of unquestioned financial strength. According to its 1954 report it has assets of \$492,922,997. Of this \$23,097,104 is capital, surplus and investment reserves. The company also has more than a \$1.75 billion of life insurance in force, and during the year paid its policyholders and their beneficiaries more than \$50 million.

MDRT Head Stresses Sales Leadership's Responsibilities

More Than 600 of the 1,557
Qualifiers Are on Hand for
White Sulphur Springs Meet

By ROBERT B. MITCHELL

WHITE SULPHUR SPRINGS, W. VA.—Million Dollar Round Table members were urged at their annual meeting here to remember the obligations as well as the benefits that come with sales leadership in life insurance.

"The future of the Round Table continues to lie in our personal success and the manner in which you discharge the responsibilities of your success," Chairman George B. Byrnes declared at the traditional breakfast Tuesday.

More than 600 of the 1,557 1955 qualifiers assembled at the Greenbrier hotel here to hear about new developments in the field of professional life insurance salesmanship and to exchange service ideas and selling techniques. Those on the program included star performers from within the business and nationally known guest speakers, among the latter being T. Coleman Andrews, U. S. commissioner of internal revenue.

Mr. Byrnes, who is a general agent of New England Mutual Life in New York City, said that "if you will give it a little thought, I am sure you will



George B. Byrnes



G. Nolan Bearden

see that the only really lasting impression that can be given to the general public, the institution of life insurance, and other underwriters about the Million Dollar Round Table must come from you."

"If as a member of the Round Table you are recognized as an outstanding insurance man and citizen, then you will individually add a little to the prestige of the MDRT and will receive back its collective benefits, with the prestige of both growing in a snow-balling fashion," Mr. Byrnes continued.

"On the other hand, if, as a member of MDRT you are known by your policyholders, prospects or associates to be a corner-cutter and double dealer, lacking in integrity, the MDRT will tend to be considered to be a collection of sharpies, and all members will suffer in the eyes of the wronged client or associate.

"Of course, the executive committee has done everything it could to keep this underwriter out of the Table, to the

(CONTINUED ON PAGE 7)

Oates Doctrine a Good Bet but Not a Sure Thing Yet

Case Has Represented the Law for 3 Years, but May Be Armed Truce, Says Barker

WHITE SULPHUR SPRINGS, W. VA.—Precautions to take in making use of the Oates case decision of the seventh circuit court of appeals were discussed in considerable detail by



John Barker Jr.

John Barker Jr., vice-president and general counsel of New England Mutual Life, at the annual meeting of the Million Dollar Round Table here. The decision permits spreading of renewals after retirement, hence spreading of taxes and avoidance of high income tax brackets in the early years after retirement.

"The taxing authorities have lost one important contest in the Oates case," said Mr. Barker, "but they cannot be expected to relax their efforts to find some vulnerable feature in the spreading agreements which apply to vested renewals on business already produced. While this case has represented the law for three years, these may be years of armed truce."

"The companies that have made a spread commission arrangement available have each insisted that the agent must agree to assume all the risks that it entails. If the tax court should require him to include what he would have received under his contract prior to its amendment, then he must shoulder this burden either by complying or by engaging counsel to resist the ruling. Lest this sound too discouraging, I will venture the opinion that the Oates decision is good law and should continue to be followed as long as the parties to the spread-out amendment appreciate that it is not subject to revocation or modification after it has been put in operation."

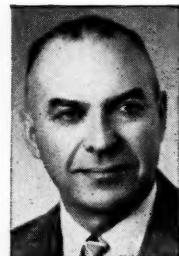
"It can be used upon death or retirement, but in order to preserve the tax advantage the agent must have clairvoyant powers and project himself, or at least his thoughts, 15 or 20 years beyond retirement or death, because the power to commute or in any way control the fund which is used for payments could lead to disastrous tax results."

"The usual procedure is to take advantage of the talents of our actuaries and from well-recognized tables to place a tentative valuation on the aggregate of all commissions which may be expected to accrue to the credit of the retired or deceased agent. This valuation is then divided by the number of monthly installments desired, which produces the monthly payment. Although premium persistency appears to be surprisingly constant, nevertheless if the commissions in the fund held by the company should be larger than predicted, then a lump sum is paid with or after the last monthly installment. This creates the danger

(CONTINUED ON PAGE 14)

VandeZande Named Wis. Commissioner; Succeeds J. R. Lange

MADISON—State senator Alfred VandeZande, local agent and president of Campbellsport Mutual Fire, has been appointed Wisconsin insurance commissioner by Gov. Walter Kohler to succeed John R. Lange. The senate confirmed the appointment for a term ending June 1, 1959. The post pays \$10,000 a year.



J. R. Lange

Mr. VandeZande, 61, served four terms in the assembly before moving to the senate in 1948. During the 1955 legislature, he was chairman of the senate committee on labor, insurance, taxation and banking. He is widely known for his work on highway safety legislation, much of which won the governor's backing after VandeZande's interim legislative investigations of the automobile accident problem. He has been in insurance since 1910.

Mr. Lange, a career man in the Wisconsin department, who was promoted to the commissioner's desk from chief actuary by former Gov. Rennebohm, served the unexpired two years of the late Marvin Duel and a full four year term. He is near the retirement age for state employees and it is believed he will return to a state job until he retires on pension.

Only one other possible appointee was mentioned previously to the governor's action, Assemblyman Roy Sengstock a Marinette insurance agent.

Mahoney Continues Me. Post Until Governor Appoints Successor

The four year term of Commissioner Mahoney of Maine expired June 27 but he will remain in office until Gov. Muskie, a democrat, renames him or appoints a successor. Any appointee is subject to approval by the republican controlled governor's executive council which meets this week. Mr. Mahoney was an Ellsworth local agent before he was named commissioner.

Law Named N.W. Mutual General Agent at Wichita

Russell L. Law Jr. has been named general agent of Northwestern Mutual



Russell L. Law

Life at Wichita, to succeed Henry W. Laffer.

Mr. Laffer joined Northwestern in 1916 and has been a general agent for 25 years. He will continue with Northwestern at Wichita in personal production.

Mr. Law, who had been a special agent in his father's Baltimore agency since 1946,

qualified for the Million Dollar Round Table in 1954 and 1955.

LIA REPORT

Group Covers Show Phenomenal Growth in Eight Years

Group insurance has had its greatest growth in the past eight years, many millions of persons having been brought under its various coverages and two-thirds of the aggregate certificates of all types having been added since 1946, according to the Life Insurance Assn.

The association's analysis of group insurance of all types in force with all life, accident and health and casualty insurance companies at the start of this year, just released, shows that the number of persons covered by employee group life insurance has in-

A chart detailing group life experience appears on Page 15.

creased 110% in these eight years, those covered by group annuities, 115% and group surgical benefit insurance, the most widely held of the group accident and sickness coverages, 310%.

During the past year alone, group annuity certificate holders increased 175,000; employee group life insurance, 2,117,000; group surgical benefits, 1,671,000. One of the other group A&H plans, medical expense coverage, showed an even larger increase in the year, 1,989,000.

Premiums paid in 1954 for all types of group insurance totaled \$3,299,000,000, compared with \$3,035,000,000 in 1953 and \$917,000,000 in 1946. Of the 1954 total, group life insurance accounted for \$927,000,000, group annuities for \$990,000,000 and the group A&H coverages for \$1,382,000,000.

Group life alone, exclusive of group credit life insurance, covered 27,476,000 employees at the start of this year, for an aggregate of \$85,794,000,000 of protection. These insured workers account for about half of the country's work force and more than 80% of those eligible for this type of protection. In addition, 1,065,000 dependents of employees are covered for \$601 million under those plans which include dependent coverage.

A year ago, group life covered 25,359,000 employees and 711,000 of their dependents. Eight years ago, 13,143,000 persons were covered by group life.

Group credit life insurance, insuring borrowers, covered 16,236,000 individuals at the start of this year for an aggregate of \$7,917,000,000.

Group annuities, which account for the largest single block of persons covered by insured pension plans, covered 3,185,000 persons. This compares with coverage of 1,470,000 persons in 1946.

Most widely owned of the A&H coverages is group surgical benefit insurance, which now covers 14,993,000 employees, with 20,654,000 dependents also covered, a total of 35,647,000 persons insured. Eight years ago, only 5,534,000 persons were insured, with 3,127,000 dependents also brought under the plans, making a total in that year of 8,661,000 persons covered.

In addition, 35,010,000 persons were covered at the start of this year by group hospital expense insurance, 15,719,000 by group medical expense, 1,889,000 by group major medical expense, 18,323,000 by group weekly indemnity and 13,972,000 by group accidental death and dismemberment protection.

ALC Medical Unit Elects Dr. Cole at Annual Meeting

AMA President Says Doctors, Insurance Have Similar Attitudes, Goals

HOT SPRINGS, VA.—The annual meeting here of the American Life Convention medical section, featuring a technical program interspersed with talks stressing the importance of concert between the insurance world and the medical profession, attracted a record attendance of 250.

The first representative of AMA to appear before the medical section, Dr. Elmer Hess of Erie, Pa. its president pointed to the similarity in attitude of the organization he represents to that of the insurance industry. He noted both prefer regulation by state governments rather than the federal government. "It is questionable whether state legislation (or regulation) would result in destruction of either insurance or medicine. Federal legislation, improperly conceived and administered



Dr. N. B. Cole



J. P. Donegan

could well destroy (or minimize greatly the effectiveness) of both."

Concerning the direct relationship between the life insurance business and the medical profession, Dr. Hess specifically pointed out that AMA is concerned with the problem of abuses which might arise out of such new health insurance forms as major medical, which has no set formula of payment but depends primarily on the reasonableness of the practitioner submitting his bill for services.

Dr. Hess recalled action taken by AMA to minimize this problem, stating "we realize that insurance per se does not create new wealth and further that insurance is no justification for increasing an otherwise reasonable fee for a professional service."

Medical men, Dr. Hess stated, ought

NEW OFFICERS

Chairman—Dr. Norman B. Cole, Baltimore Life.

Vice-chairman—Dr. Arthur E. Parks, Canada Life.

Secretary—Dr. J. R. B. Hutchinson, Acacia Mutual Life (reelected).

Member, board of managers—Dr. John E. Boland, Country Life, North American Accident and Central Standard Life, all of Chicago.

Program chairman—Dr. J. Travenick Jr., Occidental of California.

not to become involved in any way as salesmen for a particular kind of insurance or for a particular company for the reason that any such insurance advice might involve dissatisfaction on

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General American Revamps Policy Line, Lowers Cost

General American Life Tuesday introduced a new line of ordinary insurance at simultaneous agency meetings throughout the country.

The new line, effective July 1, instigates drastically lowered rates on all ordinary life and preferred risk contracts, increased dividends, and sweeping changes in policy provisions, aimed at broader coverages and low costs for the policyholder.

Rates on some policies and at some ages are reduced as much as 12%, and the dividend scale is up an average of 16%. The combination results in sharp improvement in net cost.

The company also sharply lowered rates on waiver of premium disability rider and accidental death additional indemnity rider, while broadening their provisions extensively.

Agents were officially informed of the changes when they received from their general agents or managers gift-wrapped packages containing the newly published rate book, dividend illustrations booklet, and an agents' reference manual.

Announcement of the changes climaxed more than a year of work by home office associates, who together put in more than 20,500 hours of time on the project. The new policies are being launched with a month-long sales campaign honoring President Powell B. McHaney.

In liberalizing underwriting rules, the company increased non-medical limits, and extended them and the disability rider, and term of all kinds to women, whether married or single, on exactly the same basis and at the same rates as for men. Provision was made for addition of premium insurance to existing children's policies, and there was instigated a new retroactive and favorable conversion provision for family income agreements.

The policy loan interest rate in advance will be 4.8% instead of 6% on new issues, and interest on policy arrears has been similarly reduced.

Under the new waiver of premium total and permanent disability rider coverage is provided in all cases except for disability resulting from military service in time of war. Aviation hazards are covered except those attributable to military service in time of war. Both liberalizations are being made retroactive to Sept. 1, 1933, and also the new riders may be written at the lower rates in connection with policies already in existence.

The accidental death additional indemnity rider now provides for coverage for accidental death in all cases except where the insured is in military service in time of war and death occurs as a result of such military service. It also is being offered retroactively.

The new rate book has been arranged by age rather than plan to show all plans issued for any age under that age section. It includes many new and concise reference tables, including a table for automatic computation of fractional premiums. In the new agents' reference manual are all the necessary rules, regulations and instructions.

Life & Casualty Promotes Two

Life & Casualty of Tennessee has promoted J. B. Washington from staff

manager in Jonesboro, Ark., to district manager at North Houston, Tex., and F. Y. Robards Jr. from staff manager in Paducah, Ky., to manager of the new Van Nuys, Cal., district. Mr. Washington joined the company in 1947, and Mr. Robards in 1948.

Cal. OKs Investment Plan That Includes Term Life

Commissioner McConnell of California has approved the plan of Investors Diversified Services to sell its fund accumulating plan in California in conjunction with term life insurance.

North American Life & Casualty of Minneapolis is the insurer in the program.

California-Western States To Enter 14 More States

California-Western States Life plans to enter 14 additional states, Louisiana, Arkansas, Missouri, Illinois, Ohio, Indiana, Iowa, Nebraska, Kansas, South Dakota, North Dakota, Minnesota, Michigan and Wisconsin. This would put the company in 27 states, Hawaii and Alaska.

Processing of the applications for admission to the additional states is expected to be completed soon.

Urge Exclusion of Life Insurance from SEC Registration Bill

WASHINGTON—Life companies are well regulated by the states and should be excluded from provisions of pending federal legislation which would require companies whose stock is traded in the over-the-counter market to register with securities and exchange commission, American Life Insurance and Life Insurance Assn. of America said in a joint statement filed with the subcommittee on securities of the Senate banking and currency committee.

ALC and LIA said the life business has long been adequately supervised by the states and full disclosure of all financial and administrative facts in an integral part of their regulation by state authorities. Registration with SEC would be an undesirable, unnecessary and costly requirement.

Life insurance is so closely related to the welfare of such a large percentage of the people of the United States that its supervision has always been more protective than the regulation estab-

lished for ordinary business activities. No other business operates under so great a volume of state regulatory law, the statement said.

The proposed legislation would also require insurers, along with other business corporations, to file periodic financial reports and management information with SEC. "These reports" the statement said, "would duplicate information on file in the insurance department of every state in which a life company does business."

Regarding regulation of proxies and insider trading, ALC and LIA said insurance is so completely regulated by statutory law that there is little opportunity for the management of a company to take any action that would be detrimental to stockholders.

"The State insurance examinations not only deal with financial affairs of the company, but every corporate activity is explored. Any irregularity with respect to proxies or any failure on the part of the company to cooperate with stockholders would be discovered through such examinations, and the company would be instructed to discontinue any such objectionable practices."

LIFE WITH PROVIDENT

LIFE AS A C.L.U.

The increasing complexity of today's society is increasing the need for specialists in all fields of endeavor. And the life insurance specialist—the man who knows the life insurance answers to the many financial situations—is becoming more and more in demand. The man with the C.L.U. degree has acquired the knowledge which increases both the scope and value of his services. And his income is generally higher, too. That's why more and more men are preparing themselves for greater success in life insurance through C.L.U. studies. Why not enroll in a class now?



PROVIDENT LIFE & ACCIDENT INSURANCE COMPANY

Chattanooga—Since 1887

LIFE ACCIDENT SICKNESS HOSPITAL SURGICAL MEDICAL

American Life Insurance Nosing Out Competition Overseas, Says Rhodebeck

American-type sales methods work as well overseas as they do in this country, according to Richard Rhodebeck, president of American Life of Wilmington, Del., who recently returned from an around the world agency trip.



Richard Rhodebeck

The result is a spreading of the benefits of life insurance protection and life insurance investment money at a constantly accelerating rate in countries where these sources of strength have hitherto been largely absent.

The best example of the speed with which American methods can get life insurance sold in countries unfamiliar with these methods is Pakistan. American Life started from scratch there Jan. 1, 1952, with its present manager, Chester L. Hagander, formerly with Lutheran Brotherhood and Lincoln National Life at Minneapolis. The head office for Pakistan, which now has more than 700 agents, is writing business at the rate of \$10 million to \$12 million a year.

One reason for this success has been Mr. Hagander's introduction of such proved devices as the app-a-week club. Agents win prizes for consecutive weekly production, usually sales pamphlets and books from the United States.

Another place where American Life has stepped in and taken the production lead from European companies long established in the area is the territory handled by the Beirut office. This is managed by Enos Cook, a Michigan man formerly with United States Life. Beirut has long been the financial center of the Middle East and American Life writes policies there in U. S. dollars, pound sterling, Lebanese pounds, Syrian pounds, and Indian rupees.

American Life was incorporated in 1921 as Asia Life. For many years it specialized in business for the Far East but in 1951 the directors decided to rename it American Life and expand its services on a world-wide basis. The company was organized under Delaware laws because that state's insurance law realistically permits the investment of assets in foreign countries in which the company does business. American Life is a member of the American International Group of six life companies which specialize in business outside the United States.

On his recent trip Mr. Rhodebeck went around the world visiting Hong Kong, Bangkok, Singapore, Malaya, West Pakistan and the Northwest Provinces, Beirut, Paris and London. He stopped at Cairo and Madrid to discuss the possibility of entering American Life in Egypt and Spain. In Paris he appointed a manager for Tangier and French Morocco.

In this hemisphere American Life or its affiliates have offices in Cuba, Mexico, Venezuela and throughout the Caribbean.

Cal. Agents Elect Baird; Vote to Challenge Investment-Insurance

California Assn. of Life Underwriters has approved and referred to its legislative committee a motion that present extensive publicity of the investment-insurance plan of Investors Diversified Services be investigated and challenged.

M. E. Baird of New England Mutual, Taft, was elected president to succeed Reed C. Nelson of American Mutual, Oakland. Other officers elected at the annual meeting at Long Beach were: Thomas W. Reneau of Connecticut General, Modesto, vice-president; Emmett G. Velthouse of Northwestern National, Pasadena, secretary, and George A. Boden of Occidental of California, San Mateo, treasurer. Herbert W. Humber of Mutual Benefit Life, San Francisco, and Edward Neisser of Massachusetts Mutual, Los Angeles, were elected executive committeemen.

Assistant Commissioner Thomas outlined the functions of the California department and the steps it would take to serve the industry.

Lester O. Schriver, managing director of NALU, was the banquet speaker.

Mr. Baird, membership chairman, reported that the Monterey Bay association was the only local association added during the year. He praised the progress made in membership and recruiting with the goal of making the California association the largest in the nation.

Russell L. Hoghe of Equitable of Iowa, legislative committee member, reported that the 1955 legislature had failed to pass some of the legislation favored by the association, including the so-called 20/40 group limitation bill. He urged members to renew their efforts for the passage of association-favored legislation.

Liberty National Has \$1 Billion in Force

Liberty National Life has exceeded the \$1 billion mark of life in force. Among the combination life companies in the U. S., it ranks 12th in total life in force, 11th in total assets and total annual income.

Writing no group or A&H, the company has more than 3.5 million policies in force. President Frank P. Samford spoke on the achievement to all employees in a closed circuit radio broadcast from the home office to 51 district offices in five states. Holgar Johnson, president of Institute of Life Insurance, participated by tape recording. Insurance commissioners of the five states either spoke or sent congratulations.

N. Y. Life to Join in Financing Uranium Mill

New York Life will purchase first mortgage sinking fund bonds in the principal amount of \$6.2 million in a large mill to be built at Moab, Utah, for the processing and concentration of uranium ores. Chemical Corn Exchange Bank, New York City, will buy \$3.5 million in short term promissory notes.

The mill, operated by the recently formed Uranium Reduction Co., will be one of the first major atomic facilities financed as an independent company through conventional financing techniques. A contract, running until Mar. 31, 1962, has been made with atomic energy commission for the entire production of the mill's uranium oxide.

NAIC Protests Right of ICC to Examine Truck Insurers Books

A committee representing National Assn. of Insurance Commissioners protested, at a conference with members of Interstate Commerce Commission, a proposal of the commission staff that the commission has the right to examine records of companies insuring motor carriers at the latter's expense.

A committee composed of Commissioners McConnell of California, Sullivan of Washington and Holz of New York, told ICC members this provision and other proposed regulations would get the commission into the regulation of insurance which, they said, is adequately regulated by states. They objected strongly and asked commission for explanation, an ICC spokesman said. No decision was arrived at.

It was explained the regulations published in the federal register were only proposed by ICC staff members and have not been adopted. ICC prescribes insurance requirements for interstate motor carriers under regulations long in effect. Its staff proposed 19 changes in the regulations. One provides that the commission shall have power to examine the financial stability of companies filing insurance on motor carriers. Present regulations provide such companies must have \$200,000 reserve surplus. The commission will not accept a policy from a company not authorized to do business in states where the covered motor carrier operates.

Some Disabled Workers Get SS Boosts in July if They Act Promptly

Totally disabled persons who worked under social security before they became disabled have been advised to contact their social security office before July 1 to protect their families' social security rights under the disability freeze provision in the 1954 social security amendments.

Many disabled workers already receiving social security retirement benefits, and who became disabled before 65, may become eligible for increases in their July checks if they apply before July 1 to have their social security records frozen. The July date is not a deadline, however, because a disabled recipient of benefits may apply any time until July 1, 1957, and still get the advantages offered by the disability freeze provision, including back payments on any increases due.

Under the disability freeze provision, the years before age 65 when a person is totally disabled for work are disregarded in determining whether he or his survivors are eligible for monthly benefits, and the amount of the benefits. To qualify for the disability freeze, he must have worked under social security five of the 10 years before his disability began, and 18 months of the three years just before he became disabled.

F. W. Dedman Holds Open House

The Frank W. Dedman agency of New England Mutual Life at Oakland, Cal., held an open house to mark the writing of more than \$2.5 million during May and also completion of remodeling of its offices in the Insurance building there.

The modernistic offices, incorporating many of Mr. Dedman's own decorating ideas, are modern in every respect and feature innovations such as a central dictating system.

Life
A & H
Group
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Brokerage
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life insurance in force exceeds

\$775,000,000.00

PLUS: One of the most advanced agents training programs in the nation . . . Supervised offices . . . Trained Group men to assist agents . . . An alert Underwriting and home office staff . . . Top commissions.

REPUBLIC NATIONAL LIFE

INSURANCE COMPANY

Theo. P. Beasley, President

Home Office, Dallas

Grayson Explains NALU Position on Controversial Provisions of Military Survivors Benefits Bill

National Assn. of Life Underwriters' objections to the proposed military survivors benefits bill center mainly around the lack of an offset in dependency and indemnity compensation for part of payments under USGLI and NSLI and on the "unreasonably generous" general level of dependency and indemnity compensation.

While NALU is in "hearty disagreement" with these two features of the bill, it endorses three others in principle but feels they should be amended to better reflect sound policy, and is in "complete accord" with six major provisions. The association's stand was made clear by Louis J. Grayson, Travelers, chairman of its veterans and servicemen affairs committee, before the house armed services select committee on survivorship benefits which drafted the bill.

NALU is fully aware, Mr. Grayson said, that an offset in dependency and indemnity compensation for part of payments under USGLI and NSLI would be most unpopular with the armed forces. But the association feels that a partial offset is "reasonable and equitable."

If the government insurance program were not so heavily subsidized by the taxpayers and if the premiums paid the actual cost of the insurance then an offset would not be justified. But government insurance is largely a tax supported gratuity and, in determining, the level of all gratuities, it is only proper to make due offset for government insurance, Mr. Grayson stated.

As for the level of dependency and indemnity compensation, he pointed out that the widow of a deceased ser-

viceman now receives \$69.60 a month from the veterans administration and a \$10,000 indemnity. This is an actuarial equivalent of \$110 a month. The proposed bill raises the total to an average of \$125 a month for widows of enlisted personnel, \$160 for warrant officers and \$180 for commissioned officers. This is not the only government gratuity, since half the social security contribution is made by the government also. Although the government makes the OASI contribution as an employer, the taxpayers still foot the bill.

NALU sees little justification for the increase, although small, because it is a base upon which larger boosts are justified. The government's obligation is to provide only a basic floor of benefits upon which the individual, whose responsibility it is to plan for his loved ones, can build his family's security. The association disagrees with the philosophy embodied in the proposed new formula that would place the primary responsibility on the government. Benefits ranging from \$115 to \$150 a month would be proper in this formula, Mr. Grayson said.

NALU endorsed in principle the section of the proposed bill that defines the element of parents' dependency, gives expression to parents' actual income and limits payments to those actually dependent on servicemen. Payments to dependent parents will be made in addition to payments to other survivors, without any offset, the association noted. A partial offset should be made in the dependency and indemnity compensation to a wid-

ow for payments made to dependent parents, Mr. Grayson said.

He said NALU endorsed with some reservation the elimination of the gratuitous servicemen's indemnity because it has been eliminated only as to identity and mode of payments. It actually has been included in the expanded level of dependency and indemnity compensation. It is possible that this change might be a signal for "certain selfish groups" to press for another government insurance program which, unfortunately, would be superimposed on the high level of benefits provided in the bill, he added. He asked the committee to amend a section to permit servicemen to designate, within a limited class, the beneficiary of their indemnity compensation not exceeding \$50 a month. The payments would be deducted from the regular dependency and indemnity compensation only during the lifetime of the beneficiary.

NALU suggested eliminating the May 1, 1956, deadline on policies which, under public law 23, have been surrendered for cash. Many men surrendered policies to obtain money for various purposes and to apply the premiums previously paid for government insurance to new commercial insurance instead. In reinstating policies before May 1, 1956, the government would require repayment of cash received on surrender plus interest. In most cases it would be difficult for the men to obtain the money because much of it is in non-liquid assets. Under the proposed bill, NALU is afraid many servicemen will apply for new policies, like those surrendered, at their attained ages and drop their com-

Jackson and Purtzer Named Agencies' Superintendents

R. W. Jackson and Stanley R. Purtzer have been named superintendents of agencies for the eastern and central divisions, respectively, of Bankers Life of Nebraska.

Mr. Jackson was formerly general agent at Wichita, where he is succeeded by Jack K. Lashley.

Mr. Purtzer, who has been with the company for 30 years, was director of agency research.

Emory K. Peterson will handle agency research along with his present duties as secretary of agencies. He will be assisted by Kenneth L. Luckens.

merical policies. The association recommended that a section of the bill be amended to permit existing statutes to govern active duty personnel who, between April 15, 1951, and Jan. 1, 1956, surrendered their NSLI or USGLI policies for cash by removing the May 1, 1956, deadline and substituting the words "within 120 days of discharge or separation from active duty."

NALU was in complete accord with the lump sum death benefit with \$800 minimum and \$3,000 maximum; elimination of FECA benefits for certain reservists; elimination of the free \$160 monthly wage credit and inclusion of social security on a contributory basis with respect to OASI benefits; discontinuance to the widow of all dependency and indemnity compensation upon her remarriage; simplification of the multiplicity of forms and detail involved in collecting survivorship benefits; and discontinuance after Jan. 1, 1956, of the sale of the special five-year renewable term NSLI to able-bodied veterans.

INTER-OCEAN LOOKS WITH PRIDE

The high standards of public service for which the insurance business is noted have been achieved largely through the efforts of those men and women who have given so unstintingly of their time and experience to the many A & H and Life associations. Their names are legion, and the achievements that have marked the progress of this great and growing profession are indeed a tribute to their loyalty, dignity, unity of purpose and to the companies they represent. Inter-Ocean is especially proud that so many of those who have so distinguished themselves have been recruited from its own ranks.

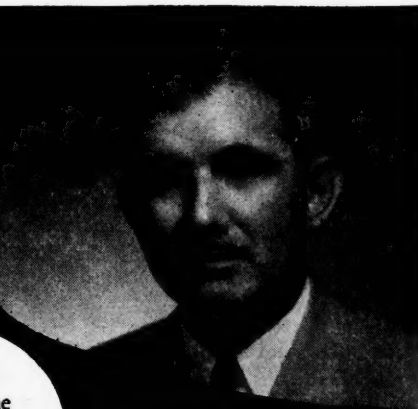
Agents who write Inter-Ocean's modern and complete line of Life, Hospital, Medical and Surgical Expense, and Income Protection are assured that they represent a sound and respected organization.

COMMERCIAL • WEEKLY PREMIUM • ORDINARY • GROUP

PERSONAL PROTECTION SINCE 1903

INTER-OCEAN
INSURANCE COMPANY

CINCINNATI 2, OHIO



GEORGE M. GREEN — Mr. Green is State Manager, Weekly Premium Div., Charleston, W. Va., and in over 20 years of Inter-Ocean service he has held many positions on committees and boards of A & H and Life Insurance Associations. He is currently State Chairman, Insurance Economics Society, and President, Charleston General Agents and Managers Association.

Rate, Policy Changes by Continental

Continental Assurance has distributed new soliciting manuals featuring major rate and policy changes, effective June 15 with a few deferable to Aug. 1.

Chief among the changes was reduction in waiver of premium rates with maximum decreases at younger ages averaging 35% on ordinary plans.

Revised annuity and retirement income rates are changed due to in-

creased longevity. In annuity rates, the interest factor used in calculating premiums was raised so that some rates, instead of an increase, show an actual decrease. A shift was made in commuted values of retirement income contracts, changing maturity and increasing early cash values.

Mortality improvement is found in settlement option 4 (life income), effective Aug. 1. The new table provides \$6.16 monthly income against \$6.30 under the former table.

Liberalization in the life expectancy term conversion period enables con-

versions to be made up until five years before expiration. Previously, conversion was allowed up to five years before expiration, but not after age 65.

Continental's new non-cancellable A&H policy, rates, limits, and occupational classifications have been incorporated in the new manual. Also included are three new contracts: underwriters preferred, life paid up at 65 with return of premiums and family security, which provides reducing term insurance without a basic policy.

Detroit Leads Cities for May and 5 Months Ordinary Sales Rise

Detroit led large cities in percentage of increase in the sale of ordinary life for May and the first five months with 40% and 29%, respectively, according to LIAMA.

For the other large cities, the percentages of increases for May and the year-to-date, respectively, were: Boston, 37 and 26; Chicago, 30 and 18; Cleveland, 33 and 25; Los Angeles, 30 and 24; New York City, 25 and 22; Philadelphia, 33 and 19; and St. Louis, 26 and 19.

Chest X-Rays at Pan-American

A mobile unit of the New Orleans health department took chest x-rays of 337 home office employees of Pan-American Life and tenants of the company's office building. The program, initiated by R. L. Hindermann, director of public relations, and Dr. R. C. Voss, vice-president and medical director, is in line with the company policy of active participation in all phases of health education.

Protective Names Stewart Texas Supervisor

Protective Life has appointed Clovis N. Stewart supervisor of agencies for



Clovis N. Stewart

Texas and Henry S. Kaplan, Denver L. Barker and Jessie B. Bennett general agents at Miami Beach, Parkersburg, W. Va., and South Boston, Va., respectively. Mr. Stewart was with Texas Prudential as general agent and manager for 10 years.

From - MIDLAND MUTUAL LIFE -



Accident and Sickness Insurance

THE KEY TO NEW OPPORTUNITIES

Now Midland Mutual Life brings you Accident and Sickness Insurance . . . a portfolio of sound, salable policies affording broad coverage and liberal benefits.

The introduction of this new line gives Midland Mutual representatives across-the-board facilities for meeting the personal security needs of policyowners and prospects. That's why we're calling our Accident and Sickness program the Key to New Opportunities. It's aimed at opening the door to increased service and greater income . . . through both the sale of disability protection and the development of additional life insurance production.

Powerful sales "muscle" is provided by a complete kit of effective promotional helps . . . aids for use in both prospecting and closing.

We invite you to investigate this new opportunity. Write Charles E. Sherer, Director of Agencies, for full details.



The MIDLAND MUTUAL Life Insurance Company

250 East Broad St.

Columbus 16, Ohio



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TERRE HAUTE
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1955 HALL OF Honor



FOUNDED IN 1867
IN DES MOINES

Annually, since 1931, the Equitable Life of Iowa has recognized, by its Hall of Honor award, pre-eminence among its field associates in matters of production, conservation, average size policy, and other major factors of effective career life underwriting. Once attained, the Hall of Honor award cannot again be won by the same field underwriter.

Forrest G. Sherer, Terre Haute, Indiana, a member of the Company's Indianapolis general agency since 1938, is the 1955 Hall of Honor agent. Notably effective as a career life underwriter, Mr. Sherer qualifies regularly for the Company's President's Club and is a member of the Million Dollar Round Table of 1955.

EQUITABLE LIFE INSURANCE
COMPANY OF IOWA

Cities Months Rise

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Responsibilities of Sales Leadership Are Stressed

(CONTINUED FROM PAGE 1)

extent possible, with the result that the prestige of the table has steadily grown in the eyes of the public and within our industry.

"Thus it will be seen that the continuance of this trend, the future of MDRT, depends on your personal success and the way that you discharge the responsibilities of your success."

Chairman Byrnes said that although the development of MDRT has been a tremendous stimulus to its members and the insurance business as a whole, by far the greatest benefit has accrued to the insured public, in the improved quality of services as well as in the vastly expanded volume of benefits which have been arranged by members to solve an infinite number of human, business and economic problems.

"It has not been easy to keep the policy of the Round Table geared to successful salesmanship," Mr. Byrnes pointed out. "As the prestige of the Table has grown, every year great pressure is brought to bear to get the Round Table, its executive committee, or its chairman to espouse some cause, promote some legislative change, or engage in some political maneuver. Although there is frequently great merit in the requests made of us, all the executive committees have steadfastly turned them down, believing that the greatest benefit will accrue to our members, the insurance business, and the public if we remain an organization strictly devoted to the mutual development of substantial life insurance producers."

Saying that "you will have attained the final mark of a real success when you have been able to transfer something of your success to others," Mr. Byrnes suggested that each member adopt a promising new agent as a protege, taking somewhat the same interest in him as he might in the success of a son.

"Let him know that you have observed him, that you think you might be able to help him grow, and if he is willing to work you will counsel him periodically—in effect, be his big brother, insurance-wise," Mr. Byrnes continued. "I do not mean that you would have to do joint work with this protege, unless you wish, and I would hope that you would never, never lend him money."

"On the contrary, you might try feeding him a concentrated diet of your successful ideas, letting him set the pace of how much he can absorb, but always leaving the door open to him so that he may know you expect him to succeed and you will help him do so with advice and stimulation when he needs it. Idealistic? Yes! Impractical? I hope not!"

Commenting on membership in MDRT as "the one great stimulus to substantial production," Mr. Byrnes noted that there has been a shift this year in the leadership by companies in respect to number of qualifiers. In the first five places are New York Life with 203, Northwestern Mutual, 172, Massachusetts Mutual, 101, New England Mutual Benefit Life tied for fifth place with 56 each.

As a result of the continuing increase in membership, the added services to members, and the increasingly elaborate meeting programs, the load placed on the executive committee has been approaching the saturation point, said Mr. Byrnes. It became apparent that

the expanded administrative responsibilities would either have to be placed in one highly paid executive director or spread among more of the members.

The first alternative was considered only briefly because it was felt that the entire character of the organization would change if the executive committee became mere figureheads and did not do most of the work themselves, at some personal sacrifice. Instead, the executive committee created the positions of membership secretary, publications committee, and public relations committee. This has resulted in removing a great deal of work from the executive committee and, without in any way reducing its responsibilities to the members, has laid the base for materially improving the services to the members.

In introducing the breakfast speakers and other head-table guests, Mr. Byrnes quoted a couple of sentences epitomizing each one's concept of success and the factors responsible for it.

National Assn. of Life Underwriters should number at least 100,000 strong, said Robert L. Walker, president of NALU. Mr. Walker who heads a district agency of Peninsular Life at Orlando Fla. said that "for lack of numbers many objectives we might have won have instead been lost."

"In the courts of public and legislative opinion where these matters are decided the first question we are asked is 'Whom do you represent?' and our answer in terms of numbers should be 'a majority of the full-time agents in our business.' That means 100,000 strong" he said. "History records no battles fought by generals alone."

Asserting that "we are wasting a lot of horsepower" Mr. Walker declared that NALU will never remotely approach its full potential power and usefulness until the two vital considerations of quality of membership and quantity "are welded into a universal concept that NALU serves all the business and needs all honest and qualified agents—both debit and ordinary—as members."

Mr. Walker urged his listeners to return home with renewed determination to build their own local association to where they represent a true majority of all eligible agents in the community.

"In every instance" he said "this is a local job requiring local initiative local planning and local perseverance perhaps over several years. Attack this problem of building and holding membership with the same ingenuity and persistent determination with which you already sell life insurance. The prospects are there; they can be seen; they cannot deny the need; they can afford the premium and they can qualify for our acceptance."

For many years the home office of each MDRT chairman has presented to each member and guest a souvenir of the annual meeting. At the breakfast session President O. Kelley Anderson of New England Mutual Life announced that the company was presenting a world atlas. These books leather bound with the recipient's name imprinted in gold were mailed to the members and guests to eliminate the need of carrying them home from White Sulphur Springs.

Following the breakfast Surrogate Donald G. Dutcher of Bergen county, N. J., discussed the fire results of unplanned and poorly planned estates. He cited the more common mistakes made in drafting wills and their execution, mentioned the causes of "the biggest mistake of all—absence of a will," and then focused attention on "one of the most serious and most neglected problems of our generation"—the appointment of legal guardians for minor children. In many of these situations the damage could have been avoided or mitigated by a life agent's advice and motivation.

Final feature of the morning was a dramatic presentation written and directed by Laffin C. Jones, director of insurance services and planning of Northwestern Mutual Life. Starring Kenneth W. Greaves of the Shorewood Players, Milwaukee, the play aimed at making each underwriter in the audience identify himself with the principal character and thus gain a more vivid insight into his own role in his work and in his community.

Presiding at the session was Arthur F. Priebe, Penn Mutual Life, Rockford,

Ill., chairman of the program committee and vice-chairman of the MDRT executive committee.

The "room-hopping" idea, introduced several years ago, has proved so popular at MDRT meetings that this year the program committee scheduled two room-hopping sessions. Tuesday afternoon was devoted to the first of these. There were 10 sessions dealing with business insurance and miscellaneous subjects. Recordings made by each room host were available for playback that evening.

Wednesday morning John Barker, Jr., vice-president and general counsel of New England Mutual Life, discussed new developments in planning an agent's estate. His talk is reported elsewhere in this issue.

Moderator for the discussion of planning an agent's estate was Lambert M. Huppeler, vice-president of New England Mutual. Mr. Byrnes acted as presiding officer. For the remainder of the morning William D. Davidson, Equitable Society, Chicago, MDRT executive committee member, presided.

With G. Nolan Bearden, New England Mutual, Beverly Hills, Cal., immediate past chairman of MDRT as

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If you are looking for a company that will help you build an agency, investigate The Guarantee, which provides you with these agency-building tools: • A complete line of insurance to sell • Two new financing programs • The Guarantee's liberal 5 Star Contract • A new pension plan • An agency-minded company.

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Ralph E. Kiplinger, President



moderator, there was a panel discussion in which three members talked on their basic selling techniques.

Johnny S. Sierra, Great Southern Life, Dallas, sends out three letters a day to prospects. He follows them up by phone, averaging one appointment, one "nibble" and one no-good. Calling on the prospect, he goes through a four-step presentation as rapidly as possible. Step one is to say, "I want to talk with you about your life insurance." To any objection, no matter what, he denies any intention of selling life insurance. He just wants to talk about what the prospect owns.

Step two is a discussion of how to "own life insurance correctly." This involves a "measuring job" to see if the insurance will do what it is supposed to. That is Step 3. Step 4 is selling the examination, and then getting agreement to an appointment at home.

Edward Russo, Northwestern Mutual Life, Baltimore, uses preapproach mailing and a five-point telephone approach: (1) he finds out if it is convenient for the prospect to speak to him and if it isn't he finds out when he may call back; (2) he sticks to a

very informal introduction by saying, "This is Eddie Russo"; (3) what he says after the introduction is brief and direct; (4) he never uses subterfuge or fights for an appointment, because he has found that the ones he fought for were the hardest to close and showed the highest lapse ratio; (5) he makes the attempt to get the appointment by using a direct appeal and then makes two attempts to sell the interview by using the preliminary term idea and a package selling idea relating to a specific need.

Daniel H. Coakley, New York Life, Boston, found he was spending too much time in the office, resolved to stay out of the office, and the next year doubled his applications and volume. To make the most effective use of this field time, he listens and asks questions so as to get the names of a substantial number of people whom he puts on his mailing list for a monthly tax letter. Six months or a year of these letters gets him so well known among the recipients that many of them, when he phones them for the first time, call him by his first name even though they've never seen him.

Luncheon dates with lawyers, ac-

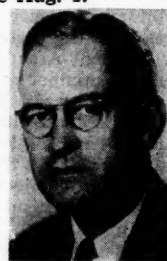
countants, prospects and centers of influence, even when no immediate sale is in the offing, build prestige for Mr. Coakley. He stressed the value of the constant acquisition of knowledge, whether by reading or attending lectures, as a means of obtaining a background of knowledge that enables an agent to suggest some idea to a prospect that will have a good chance of resulting in a sale. He described two cases and said that if he'd just gone in with the idea of trying to sell a life insurance policy "I'm sure I would have come out empty-handed."

Closing speaker of the morning was the Rev. Thomas L. O'Brien, S. J., director of the Loyola Jesuit Retreat House at Portland, Ore., whose talk on "The Mystery of Value" will be reported in next week's issue, as will the Thursday session, when Internal Revenue Commissioner Andres' address was scheduled.

Life of Vt. Appoints Phelps to Agency Post

National Life of Vermont has appointed Ward Phelps superintendent of agencies, effective Aug. 1.

Mr. Phelps, director of field relations of Mutual of New York since 1952, has been with that company since 1944. He previously was a consultant for 10 years in the company relations division of LIAMA. He entered the business in 1930 in the home office agency department of Sun Life. He is a CLU.



Ward Phelps

Special Course for Field Men

Indianapolis Life held a special course in underwriting at the home office which was attended by 18 field men. The course, emphasizing features of the company's insured savings plan, was conducted by Ivan V. Snyder, educational director, and A. R. Meyer, assistant manager of agencies.

Slater Says Automation Won't Eliminate Jobs

Use of high-speed electronic computers will not put people out of jobs, Robert E. Slater, vice-president and controller of John Hancock, said before National Machine Accountants convention in Boston.

Mr. Slater said: "Our experience to date has shown that mechanization of operations in the long run results in an up-grading of job levels. There is no reason to believe this will not be the case with digital computers. It is not anticipated that anyone will lose his or her job because of automation."

For economical computer operation, he said, two or more shifts appear more desirable than one shift because 'around-the-clock' operation is more apt to give better service and have less breakdown time. He predicted substantial savings in office costs through the computers, plus a new era in development, storage, handling and use of business information with the office becoming just as automatic as the production line.

Mechanization in the office has not kept pace with the job done in the factory because the necessary machines have not been available, Mr. Slater said. Also, savings resulting from office mechanization have been less obvious than those stemming from automation in the factory production line. He predicted further mechanization in small offices.

Mr. Slater urged the machine accountants to master electronic computers in order to become more valuable advisors to management.

Monumental Has Manager Meet

Fourteen staff managers of Monumental Life attended a nine-day home office conference and training program designed for those who may be considered for future managerial posts in district offices. The program included sales promotion discussions, meetings with officers and department heads and forums on topics presented by the officers.

William Penn's Prayer for Philadelphia

1684

... And thou O Philadelphia O the virgin settlement of this province O named before thou wert born O what love O what care O what service O and what travail have there been to bring thee forth and preserve thee from such as would abuse and defile thee. O that thou mayest be kept from the evil that would overwhelm thee O that faithful to the GOD of thy mercies O in the light of righteousness O thou mayest be preserved to the end. My soul prays to GOD for thee O that thou mayest stand in the day of trial O that thy children may be blest of the LORD O and thy people saved by his power ...

1955

Completing our first half century of service to the Public

Doorway to Protection



Philadelphia Life

INSURANCE COMPANY

111 NORTH BROAD STREET, PHILADELPHIA 7, PA.

William Elliott, President

Joseph E. Boettner, C.L.U., Vice-President

OVER A QUARTER OF A BILLION OF INSURANCE IN FORCE

3 Terrific Tools...



for Agency Building

1. Career Compensation Plan

A 2-year plan—one of the most liberal both to agent and general agent.

2. Production Incentive Agreement

A contract for prospective agents unexcelled by leading companies.

3. Training Allowance

A substantial amount paid to general agents for recruiting and training.

PLUS THESE ADVANTAGES—Success-proven training courses

• Programming schools • Business and tax seminars • Lifetime service fees • Complete line, low cost Life, Accident, Sickness, and Hospitalization policies.

WALTER H. HUEHL, President ARNOLD BERG, C. L. U., Agency Vice-President

INDIANAPOLIS LIFE

INSURANCE COMPANY

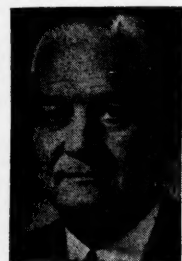
Mutual—Established 1905

INDIANAPOLIS 7, INDIANA

AGENCY OPPORTUNITIES in Illinois Indiana Iowa Ohio Michigan Minnesota Missouri North Dakota Texas

Clark Sees Group as No Threat to Market for Ordinary Life

The facts prove there is no need for worry on the part of some agents that



Paul F. Clark

a portion of the market for ordinary life will be absorbed in group. President Paul F. Clark of John Hancock told the biennial group seminar at Osterville, Mass. Where there is protection under group, an increasing number of employees will be found who wish to bring their individual life protection more in line with their needs.

New circumstances constantly are offering new challenges to effective business planning, with the ability to achieve expansion being eclipsed by the importance of skill in strategic planning, Mr. Clark said. Group is in a period of progress and growth, and it is up to the salesman to show his clients the general acceptance of broadened benefits if group is to keep pace with its potential.

Noting that the early employee benefit associations existed without salesmen because workers and management were so determined to meet the urgent need, Mr. Clark wondered if it would be reasonable to guess that, where today's protection runs parallel in purchasing power with that of 50 years ago, the salesman has not given full play to his powers of persuasion. It is up to the trained group salesman to lift the "curtain of ignorance" which shuts off many business men from truly appreciating the value of group insurance.

Vice-president Clarence W. Wyatt said one of a manager's main functions is training his men and developing attributes which can bring success. Managers must have character, knowledge, confidence, ability to create a team, closing skill, enthusiasm, fairness, thoroughness and tenacity.

Second Vice-president Philip H. Peters discussed the company's extended group plans which initially involve 10 to 24 covered employees. These plans, plus major medical and group life on debtors, are areas where group men, agents and brokers will find the surface barely has been scratched. John Hancock group cases written so far this year are up 20%, he said.

Arthur C. Rogers, director of sales and service, reported new group life production in 1954 set a record of \$417 million, exclusive of more than \$200 million on federal civilian employees.

Open forum discussions highlighted the week-long meeting, attended by 200 members of the group field force and home office men.

1955 Fact Book Soon to Be Published

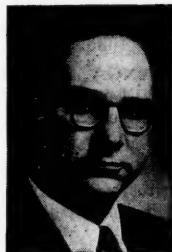
The Institute of Life Insurance's *Life Insurance Fact Book*, soon to be published for 1955, shows an average life insurance ownership of \$6,300 per family as against \$3,100 10 years ago. The institute puts the total number of policyholders at 93 million, as against 70 million in 1944. Life insurance ownership averaged as high as \$9,700 per family in Delaware to \$2,700 in Mississippi but in the last decade the amount in relation to average income increased more rapidly

in Mississippi than in Delaware. Women own about \$42 billion of ordinary and industrial alone. Men continue to account for about 75% of all outstanding life insurance. Employee group insurance at the start of 1955 was \$86,395,000,000, 3½ times the figure 10 years ago.

Phoenix Mutual Makes 3 Managerial Changes

Phoenix Mutual Life has appointed Nino Siracusa and H. Bennett Webber managers at Boston and Springfield, Mass., respectively, and George F. Degen acting manager at Worcester, effective July 1.

Mr. Siracusa, who joined Phoenix Mutual Life in 1949 at Bridgeport, Conn., has been manager at Spring-



Nino Siracusa



H. B. Webber

field since 1953. He succeeds McKinley H. Warren, manager at Boston since 1935, who will be consulting manager.

Mr. Webber, with the company since 1947, has been manager at Worcester since 1952. Mr. Degen joined the company in 1950 at Brooklyn and has received managerial training in New York City and Houston.

N. Y. Attorney to Aid Study of Welfare Funds

Gov. Harriman of New York has appointed Martin S. House, attorney of New York City, to conduct a new survey of union welfare funds. Mr. House already is working with Insurance Superintendent Holz on the study. The effort is to get ready for a legislative program at the next session of the legislature.

Philadelphia Life Fetes Elliott After Campaign

More than 300 agents and employees of Philadelphia Life honored President and Mrs. William Elliott at the annual president's birthday dinner-dance.

The affair culminated the president's birthday month campaign during May, in which the field organization set the highest production mark in history, more than \$7 million, a 27% increase.

Sixteen agents sold more than \$100,000 during the month, and others also qualified for the bi-centennial convention at Miami Beach next April.

Group Life Plan for Fla. Ministers Legal

Attorney General Ervin has ruled that Florida conference of the Methodist church is the employer, within the meaning of the law, of ministers under its jurisdiction and may participate in a group life plan covering the clergyman.

He said there was no legal bar to the Florida conference plan to enter a group life contract covering the ministers. The conference will pay 40% of the premiums and the clergymen 60%. He said the conference, as governing unit of the church in the area, and the ministers have a bona fide employer-employee relationship between them.

3 New Plans Issued by Great-West Life Listed in Manual

Great-West Life has issued a new rate manual which includes three new plans and reduced premiums on all non-participating life and endowment plans.

"The executive special," designed for all types of business life insurance needs, is a participating plan featuring low cost, maximum protection, and reduced face amount after age 70. Issued for a minimum amount of \$10,000, it has a special conversion privilege which, if exercised before age 60, permits the policyholder to continue the total amount. Otherwise, premiums reduce to 65% of initial rate at age 70. The plan is "preferred" as to amount only, pays annual dividends, and is available for ages 20-60. At age 25, the annual premium for \$10,000 initial insurance is \$148.45; at age 45, \$272.75.

A new preferred risk 20-payment life participating plan has also been introduced, with minimum amount of \$5,000. It is designed to supplement the preferred risk life at 65 contract by making available a 20-payment plan to applicants over age 45. At the same time, it gives younger people a chance to get an "economy-size" package of protection through a plan that requires only 20 annual premiums. Issued on

male or female lives from birth to age 65, typical rates on a \$10,000 policy are: At age 15, \$250.10; age 35, \$354.30; and age 55, \$592.40.

The third plan, "security savings" endows for the sum of the annual premium at age 65. It provides annual dividends, automatic waiver of premium disability benefit, and a death benefit of \$1,000 per unit, or if greater, the sum of regular annual premium paid to date of death. It is available for both males and females, ages 15 to 45 and typical annual premiums on a \$5,000 policy are: At 15, \$85.55; at 25, \$117.05 and at 35, \$181.75.

A new schedule of premiums and values is now effective for all non-participating life and endowment plans, resulting in a general reduction of premiums and in most instances, improved net cost. The following table illustrates the new non-participating schedule of rates for a preferred risk ordinary life, non-par, \$10,000 policy:

Age at Issue	35	45	55
Annual Premium	\$195.20	\$285.60	\$441.70
Cash Value			
20th Year	3,450.00	4,370.00	5,280.00
Surrendered Cost			
20th Year	454.00	1,342.00	3,554.00
Average Surrendered Cost per \$1,000	2.27	6.71	17.77

L. & C. of Tenn. Sales Set Marks

Life & Casualty of Tennessee sold more than \$40 million of new life during June, breaking all production records for the month, in honor of President Cuilford Dudley Jr.'s birthday.

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EDITORIAL COMMENT

Welfare Fund Commissions Under Attack

There is disturbing evidence that the unions are aggressively attacking the payment of commissions to agents in welfare-fund cases where the agent does nothing to earn the commission, or where there is no agent in the case until somebody is selected to be the agent of record.

This is an extremely tough problem and with the unions riding high as a result of their victories in the automobile industry and in other businesses there is no reason to suppose the labor leaders will be any less insistent in their no-commission demands.

It is a tough problem because it is hard for anyone to see why a middleman should be paid a profit when he has done nothing to earn it. It is not made any easier when the government buys group life insurance for its employees and pays a commission so small as to be the approximate equivalent of 3 cents on an ordinary group case. Moreover, unions are sensitive to charges of featherbedding and the payment of commissions to agents who don't earn them gives the union a chance to point the finger and say, "Now who's featherbedding?"

An Abbreviation That Makes Sense

The other day we saw the initials ILI in a New York City newspaper. We were a little baffled till we read the text and found the initials referred to none other than our old friend, the Institute of Life Insurance. We were both pleased and chagrined—pleased that some publication had taken the initiative in abbreviating a name that occurs frequently in insurance news and chagrined that we had struggled for so many years with headlines about the Institute of Life Insurance without having the wit to cut the Gordian knot ourselves. A daily paper thinks the Institute of Life Insurance is well enough known to the general public to be recognizable by just its initials and **and we hadn't given life insurance men credit for that much discernment.**

Perhaps we were unconsciously deterred by the fact that the insurance business is almost as overrun with initials as the government. Sometimes it seems as if there aren't enough initials to go around. Life Insurance Advertisers Assn. omits one initial, making itself LAA, so as not to be confused with Life Insurance Assn. of America, or LIAA. National Assn. of Investment Companies can't be referred to safely as NAIC for fear of confusion with National Assn. of Insurance Commissioners—particularly

Unfortunately, the statement that failure to pay commissions, even when unearned, would undermine the agency system, sounds like the same argument the unions use against trying to cut down the number of firemen on a diesel locomotive. Actually, there is a good deal more to the commission argument than that. For if it were agreed that no commission would have to be paid if there were no agent involved and that the union could have the benefit of the commission saving, it would quickly become impossible for an agent to have even a look-in on a union welfare case.

Vice-president Edmund B. Whitaker of Prudential suggested several months ago that agents learn enough about union welfare business to engage in it, and in this way protect the producer's position. If enough agents would follow that advice, it would doubtless go a great way toward solving the question. Whether that or some other is the best counter to the unions' menacing moves we don't know. But whatever is done should be done as quickly as is consistent with sound strategy.

since both organizations are involved with the variable annuity.

Quite a few organizations are referred to by their initials about as often as by their right names—ALC, NALU, LIAA (LIA for those in a hurry), and LIAMA. In fact, LIAMA is rarely referred to by its full name of Life Insurance Agency Management Assn. And since saying just "LIAMA" involves a five-syllable effort, there has been some tendency to pronounce it as a word. Lovers of euphony will be pleased to know that the pronunciation "Lee-AH-mah" seems to be winning out over "Lye-AY-mah."

Come to think of it, probably the real reason that "ILI" has not snuck into insurance paper headlines is that the Institute of Life Insurance is never referred to in the business as ILI. This is hard to explain but it is a fact. It seems like a handy handle, even if strictly limited to headline use. As a matter of fact, some reporters have used it for years as shorthand for the institute in their notes.

Perhaps the institute would do well to encourage the use of "ILI" in headlines. Initials and short names are the headline-writer's delight and stand a great deal better chance of being used in the head because they can be made to "fit the count." "Ike" fits more

easily than "Adlai"—though not enough easier to prove that that was why Gen. Eisenhower won the election.

So, at the risk of adding another set of initials to a business already abundantly supplied with them, we voice the hope that "ILI" gets to be accepted as the legitimate and understood abbreviation for the Institute of Life Insurance.

DEATHS

ALFRED E. FORREST JR., president of North American Accident of Chicago, died there. He joined the company in 1929, advancing to secretary in 1931, vice-president in 1940 and president in 1952. North American was founded by his father in 1886.

DOMENICK ZARLANGE, 65, a Prudential agent at St. Louis for 40 years before his retirement last December, died in a hospital there.

VINCENT J. FEEHELEY, 51, agent for Ohio National Life at Saginaw, Mich., died there of a heart attack while playing golf.

WALTER F. SHARPE, 69, superintendent of the medical and industrial department of Aetna Life since 1924, died in Hartford. He had been with the company for 35 years.

Bill Would Regulate Unlicensed Insurers Advertising by Mail

Rep. Ford has introduced a bill to assist enforcement of state insurance licensing laws by making it a federal offense to use the mails to evade such laws. The bill proposes to add a new section to the U.S. code, relating to crimes in connection with the postal service as follows:

"Whoever uses or attempts to use the mails or postal service of the United States for the transmission of any letter, circular, postal card, or pamphlet which is addressed to a place in a state where sales of insurance by mail by insurers licensed by the state are prohibited, and which contains an offer, solicitation, or advertisement concerning the sale of insurance by an insurer not licensed by the state, shall be fined not more than \$5,000 or imprisoned not more than 10 years, or both."

Hike Mo. Commissioner's Pay

Gov. Donnelly of Missouri has signed a bill increasing the salary of the insurance superintendent to \$10,000 annually. It has been \$7,000.

The incumbent superintendent is C. Lawrence Leggett, who is now beginning his term as president of National Assn. of Insurance Commissioners.

St. Paul A&H Men Elect

Henry C. Gydesen has been elected president of St. Paul A&H Underwriters Assn. to succeed Robert A. Sanders. Loane Randall was elected vice-president and P. Berchem secretary.

PERSONALS

Douglas B. Whiting, vice president and actuary, whose election to president of United Life and Accident was reported last week, joined United Life in 1930 as assistant to the actuary, was elected actuary in 1938, and has served as vice-president and actuary since 1954. He was elected to the board in 1953.



Douglas B. Whiting

A graduate of the University of Michigan, Mr. Whiting obtained his bachelor's degree in 1929 and master's degree in 1930. He is a native of Saginaw, Michigan.

Except for 3½ years in the navy during World War II, his service with the company has been continuous.

Raymond R. Brown, president of Standard of Oregon, has been appointed to the board of trustees of Reed College at Portland, Ore.

Frank O. H. Williams, state office manager of Connecticut General Life and a member of the Yale class of 1922, has been named national chairman of the Yale Alumni Board.

E. J. Faulkner, president of Woodmen Accident & Life, has been re-elected chairman of Lincoln (Neb.) city planning commission.

Northeastern to Split Stock 10 for 1; Summers Chairman

Merle G. Summers has been elected chairman of Northeastern Life.

Stockholders of the company have approved a 10 for 1 stock split, increasing the number of shares outstanding from 6,000 to 60,000, each with a par value of \$10. The company was organized two years ago with paid-in capital and surplus of \$1 million.

Mr. Summers, the company's first chairman, has been in insurance for more than 40 years, 34 as general agent for New England Mutual Life at Boston. He retired from that post this spring.

Blue Shield Wins Two Cases of Name Infringement

John W. Castellucci, who is executive director of Blue Shield medical care plans announced in Chicago that the recent infringement suits in Texas and Mississippi involving the Blue Shield service mark and the shield symbol, have been settled and the validity of the Blue Shield service marks have been recognized. The defendants, who were using Blue Seal and White Seal, have each agreed to stop immediately any further preparation of sales material, or advertising of any kind, using these marks.

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Shanks Predicts Rising Economy at Prudential Minneapolis Dedication

A steadily rising U. S. economy in which the nation's total production of goods and services may increase 50% by 1965 for a record \$540 billion was predicted by Carrol M. Shanks, president of Prudential, at dedication ceremonies of the company's north central regional office at Minneapolis.

"Personal income could go from the present \$295 to \$420 billion, increasing average family income from \$5,600 a year to \$7,000. Instead of spending \$254 billion, as at present, 1965 customers would be spending \$355 billion," he said.

Mr. Shanks warned against the threat of inflation, which he termed "a more serious and continuous threat than possible depression." He said much has been learned about controlling inflation, but courage is required in high political places to take steps and invoke restrictions necessary to turn back an inflationary trend.

Some 40 business, civic and educational leaders from Minnesota, Wisconsin, Iowa, Nebraska, Michigan and the Dakotas attended the dedication ceremonies. The new regional office, under the direction of Vice-president Orville E. Beal, will supervise more than \$4 billion of company insurance held by nearly three million policy holders in the above seven states which make up the region.

Troy Post Offers to Buy Stock of American Life, Ala.

An offer to purchase the stock of American Life of Alabama at a per share price of \$46 has been made by Troy V. Post and associates, Dallas, according to a letter from President Thomas W. Wert to stockholders.

Mr. Post is president of American Independence Life and American United Services, independently operated Houston companies which specialize in writing insurance on military personnel.

Until early last year Mr. Post also controlled Reinsurance Co. of America at Dallas, and he has had many other insurance interests.

Mr. Post is described in Mr. Wood's letter as "by far the largest stockholder" in American Life. The letter says the market that has existed for company stock has been due to Mr. Post's purchases. The price range the past year has been \$40-\$46.

The \$46 offer will remain open for 45 days from June 22, with First National Bank of Birmingham acting as transfer agent.

American Life at the end of 1954 had \$85,537,305 of ordinary insurance in force, and industrial in force of \$37,347,628. Assets amounted to \$11,130,298, and there was surplus to policyholders of \$1,247,929.

Mentioning that the book value of American Life stock is approximately \$14 per share, Mr. Wood's letter continues: "It is my opinion that insurance stocks have reached the peak or near peak and the price offered us really is more than the stock is worth and for that reason and due to my age and the fact that I have recently suffered a very serious illness and two operations I am selling and leaving to you your decision in this matter."

Conn. Mutual's New Policy Series Has Liberalized Features

Connecticut Mutual Life's new policy series which went into effect July 1 includes liberalized features and improved typography and design.

Beneficiary changes will be handled without sending policies of new policyholders to the home office for endorsement, and the change of beneficiary register has been eliminated. Outstanding or accumulated dividends may be merged with cash value in purchasing extended or paid-up insurance, but it still will be possible to use dividend accumulations to pay premiums.

Requests for automatic premium loans now may be made in the applications, bringing it to applicants' attention and making it easier for agents to put the provision into effect. Where the value of a policy is insufficient to pay an annual or semi-annual premium due, the method of payment automatically may be changed to quarterly. The term conversion age limit has been raised from 60 to 63, where the normal conversion period permits. Policy faces will include a new ownership designation, in addition to the regular exercise of privileges clause.

These new changes parallel the premium reductions and liberalizations in family income, decreasing term, additional indemnity and waiver of premium disability agreements which went into effect with the new rate book on May 6. Although restyled, the new policy forms retain most general features of the documentary series under which the company issued more than one million policies since 1927. The revision affected 43 basic policy forms, 91 different inside contract pages and 16 extra benefit agreements.

Typographic improvements include a more readable type face, bolder headings and wider spacing. Provisions are rearranged into clearly identified categories for easier understanding. Hand drawn headings and borders replace the Old English lettering and scalloped designs, giving a more modern look. Whiter, more opaque paper and new inks give a crisper appearance to the series.

Arrest Operator of Okla. Insurer with \$50 Assets

H. R. Morris of Oklahoma City faces two charges of soliciting insurance without a license at Henryetta, Okla., as a result of an investigation by the insurance department. Morris was taken to Henryetta for arraignment. Complaints were signed against him by two of nine persons in Henryetta who bought policies from his company, Universal Hospital & Medical Association.

Horace Rhodes, assistant commissioner, investigated the firm and found it had only \$50 in the bank although it had sold a number of policies at Henryetta and Woodward. He reported the company had received \$860 in premiums.

United Benefit Life Has \$1 1/2 Billion of Group in Force

United Benefit Life passed the \$500 million mark in group life insurance in force in May. The company as a whole climbed to the top 6% in the nation in insurance-in-force rankings.

United Benefit opened three regional group offices last year, Detroit, Denver and Columbus, O., and has a major expansion program underway.

Central Standard Issues Millionth Policy



John M. Laflin, vice-president of Central Standard Life, shown congratulating Glenn L. Thoma of Saxtonburg, Pa., 12, possessor of the millionth policy issued by the company. Shown with him are his parents and, second from left, Fred J. Wellinger, Pittsburgh general agent for Central Standard.

The policy, a 20-pay endowment at age 65, was issued June 23, during the annual tribute to Alfred MacArthur, chairman, and also during the company's golden anniversary celebration.



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NEWS OF LIFE ASSOCIATIONS

Bryant Heads Va. Life Agents Assn.

Virginia Assn. of Life Underwriters elected Julian A. Bryant of Roanoke president at the annual meeting and sales congress attended by 450 agents. Other officers are W. Roy Parsons of Norfolk and W. F. S. Gresham of Lynchburg, vice-presidents, and R. D. Carson of Roanoke, national committeeman.

Ransom L. Hassell, president of the association, presided at the sales congress and Albert L. Neveaux Jr., was program chairman. Speakers were Wayne R. Keete of Prudential; S. W. Brizendine Jr., manager of Home Beneficial; William King, general agent of Fidelity Mutual, and Lester O. Schriver, managing director of National Assn. of Life Underwriters.

Buffalo Elects Four to Board

Buffalo Assn. of Life Underwriters has elected to the board Gordon C. Baker, Connecticut Mutual Life, Leo R. Futis, Guardian Life, Clayton T. Knox, Mutual of New York, and William L. Wadsworth, New England Mutual Life.

Elect E. R. Reinke at Austin

Austin (Tex.) Life Managers Assn. has elected the following officers: Earl R. Reinke, Metropolitan, president; Roger Durrett, American National, vice-president; Allen Cain, International Life, secretary.

Baker Says Debit Agents Help Slow Advance of SS

Social security would have made greater inroads on life insurance than it has, were it not for the weekly premium agent, Donald Baker, managing editor, *The Insurance Salesman*, told members of the Shelbyville Life Underwriters Assn.

"The weekly premium agent brings the benefits of life insurance to the greatest number of buyers," he declared, "and that means to the greatest number of voters."

"With all due respect to the estate-planner and the business insurance specialist, it must still be admitted that their selling will do little to eliminate the pressure for increased social security. Only the weekly premium agent is doing an effective job in holding down the demand for more government benefits."

K. C. Agents Elect Lehman

Kansas City Assn. of Life Underwriters at its annual meeting elected Martin B. Lehman, New England Mutual Life, president. J. A. Pearson, Massachusetts Mutual, and F. Howard Manning, Equitable of Iowa, are new vice-presidents, and Sam C. Pearson Jr., Northwestern Mutual, is secretary.

Speaker was Mrs. Elsie Doyle, Union Central Life, Cincinnati, a trustee of NALU.

S. C. Assn. Reelects Bates as President

South Carolina Assn. of Life Underwriters has reelected W. T. C. Bates, New York Life, Orangeburg, president and Wideman E. Durham, Life of Virginia, Greenville, executive vice-president.

James Anders, Franklin National Life, Greenwood, A. A. Watters Jr., New York Life, Spartanburg, and David S. De Witt, Palmetto State Life, Rock Hill, were reelected sectional vice-presidents. Elected new sectional vice-presidents were Michael L. Runey Jr., Fidelity Mutual Life, Charleston, and D. E. Turbeville Jr., Southern Life, Sumter.

William S. Hendley Jr., Mutual of New York, Columbia, was reelected national committeeman. Stanley R. Walter, Equitable Society, Columbia, was reappointed secretary.

Brooklyn Agents Elect

Edward C. Dohse, manager of Prudential, was elected president of the Brooklyn branch of New York City Life Underwriters Assn., succeeding Morris M. Besso, manager of Metropolitan Life. Other officers elected were Murray S. Klein, Metropolitan Life, administrative vice-president; Marvin L. Carlton, New York Life, educational vice-president; Maurice Blond, Mutual Trust Life, membership vice-president; George D. Ayd, Prudential, public relations vice-president; and Herbert Bluttman, Penn Mutual Life, secretary.

Providence Assn. Elects

Greater Providence Assn. of Life Underwriters has elected Richard R. Caldwell, manager of Sun Life of Canada, president. He also is president of Rhode Island General Agents and Managers Round Table.

Charles A. Dobbins, office manager of Metropolitan Life in Pawtucket, was elected vice-president. Miss Barbara Cargill, cashier of Provident Mutual Life, was reelected secretary.

Elected to the board were Harris W. Arnold, general agent of Berkshire Life, Cyril J. Kane, manager of Travelers, John Landolfi, Prudential, Paul R. Reynolds, Aetna Life, Norman Robinson, Phoenix Mutual Life, and Jackson H. Skillings, Equitable Society.

Maine Assn. Elects Lamplough

Maine Assn. of Life Underwriters has elected Walter Lamplough, manager of Metropolitan Life at Bangor, president to succeed Lawrence P. Libby, Mutual Trust Life, Bangor.

J. Emile Hebert, Mutual Trust Life, Waterville, William Nolet, Metropolitan Life, Lewiston, James E. Halkett, New England Mutual Life, Bangor, and William H. Walsh, Boston Mutual Life, Portland, were elected vice-presidents. Robert Sedgely, United Benefit Life, Bangor, was elected secretary. National quality awards were presented to 76 agents.

Seattle Assn. Elects Officers

Seattle Assn. of Life Underwriters has elected John R. Harris president, succeeding Frank G. Stull. Also elected were: Robert G. Engel, vice-president; Donald MacDonald, secretary; and Gordon E. Crosby Jr., treasurer. Board members are Douglas Mitchell, Lewis C. Yount, Kenneth A. Johnstone, Jones Wilder, Robert A. Hobbs and Ray Lessard.

Elect J. H. Ward at Louisville

John H. Ward III, Aetna Life general agent, was elected president of Louisville Life Underwriters Assn. at its annual meeting. He succeeds Robert Loeb, Lincoln National.

Other officers are John Vincent, John Hancock, vice-president; George W. Davis, Equitable, 2nd vice-president, and E. O. Marshon, Bankers Life, secretary.

Pounds Heads St. Louis Life Agents Association

Elmer W. Pounds, Fidelity Mutual Life, was elected president of St. Louis Life Underwriters Assn. at its annual meeting.

William T. Kieffer, State Mutual Life, is 1st vice-president, and T. Edward Flanagan, Sun Life of Canada, 2nd vice-president. The secretary and treasurer are elected later by directors.

Named to the board were Bronson Barrows, Northwestern Mutual Life; R. W. Powers, Connecticut General; H. J. Simpson, Equitable Society; Frank Brennan, New England Mutual; Jack Percival, Penn Mutual; F. R. Sale, General American and Russell Rabb, Prudential.

The St. Louis association will be host to the NALU annual convention this year, to be held there Aug. 22-26.

Pittsburgh Assn. Elects

Theodore G. Spinner

Pittsburgh Assn. of Life Underwriters has elected Theodore G. Spinner, Knights Life, president; George F. Martin Jr., Berkshire Life, and George W. Klingensmith, Midland Mutual Life, vice-presidents and George D. Covell, Connecticut General Life, treasurer.

Roger A. Clark, Warren R. Grocott, Edward F. Haldeman, Miles J. Lafey and William P. Werne Jr. were elected to the board. Branch association directors elected were Sullivan Cicerone, New Castle; Philip M. Crouse, Butler; Edward J. Halusic, Washington; D. R. Leighty, Fayette county; and Charles O'Laughlin, Beaver Valley.

Phila. Elects Pennock



J. H. Pennock

Jerome H. Pennock, Penn Mutual Life, has been elected president of Philadelphia Assn. of Life Underwriters. Others elected were Frank C. Ulrick, Prudential, 1st vice-president; Herbert M. Cady, Connecticut General Life, 2nd vice-president; and Norman W. Rowley, Massachusetts Mutual Life, treasurer.

Eastern Maine Assn. Elects

Eastern Maine Assn. of Life Underwriters has elected Kenneth P. MacLeod, National Life of Vermont, Bangor, president; Clifton K. Gerrish, Prudential, Bangor, vice-president; and Gerald L. Harvey, Penn Mutual Life, Brewer, secretary. Elected directors were Harry L. Church, Metropolitan Life, Brewer; Robert F. Sedgely, United Benefit Life, Hermon; Leon Higgins II, Travelers, Bangor; H. Foster Badgley, Prudential, Bangor; and M. J. Kelley, Sun Life of Canada, Camden. Donald S. Higgins, Travelers, Bangor, was chosen national committeeman.

Nashville Assn. Elects

Nashville Assn. of Life Underwriters has elected Paul Simpson, Metropolitan Life, president, succeeding Calvin Baker, Jefferson Standard Life.

Peyton Alsop, Penn Mutual Life, was elected vice-president and L. E. Steward, Occidental, was chosen secretary. National quality awards were presented to 39 members.

Oakland-East Bay Managers Elect

Oakland-East Bay General Agents & Managers Assn. elected L. E. Wang, Standard of Oregon, president; Howard Taylor, Phoenix Mutual Life, vice-president, and Richard Stewart, New York Life, secretary-treasurer.

Let's talk

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Detroit Agents Elect W. M. Milligan President

William M. Milligan, manager of Manufacturers Life, has been elected president of Detroit Life Underwriters Assn.

Other officers are Frank M. Minninger of Connecticut General, 1st vice-president; Clifford L. Lundgren of Equitable Society, 2nd vice-president; Carl E. Moody of Penn Mutual, secretary, and Rudolf L. Leitman of New York Life, treasurer. Harry N. Phillips, Sun Life of Canada, Detroit, trustee of NALUE, presented a plaque to retiring president, J. Randolph Kennedy of New England Mutual.

Tennessee Agents Elect Blumberg as President

Tennessee Assn. of Life Underwriters has elected David Blumberg, general agent of Massachusetts Mutual Life at Knoxville, president, succeeding E. A. Sellers, manager of Jefferson Standard Life at Nashville.

Lewis C. Callew, General American Life, Memphis, and C. Clinton Campbell, Provident Mutual Life, Knoxville, were elected national committeeman and secretary, respectively.

Chattanooga Assn. Elects

Chattanooga Assn. of Life Underwriters has elected Howard Meador president, succeeding Frank Bowman. Also elected were Seth Sizer, 1st vice-president; Pat Farmer, 2nd vice-president; Joe Hall, secretary; George Parrish and Pete Williams, directors. National quality awards were presented.

Atlantic Life Names Carlton and Nelson

Atlantic Life has appointed Francis S. Carlton agency supervisor and H. Reavis Nelson general agent at Rocky Mount, N. C.

Mr. Carlton, with the company since 1949 except for a two-year period when he was recalled to navy duty, has been with the Richmond agency.

Mr. Nelson became agent in Durham for the Raleigh agency in 1952. He left the following year to become general agent of Southern Life. He returned to Atlantic Life last year.

American Mutual Names 3 to Posts at Des Moines

American Mutual Life has named R. B. Merrill Jr., Eugene A. Conley and Bernard M. Kirke Jr. as assistant superintendents of agents.

Mr. Merrill joined the company at Des Moines in 1941 as agency secretary and has been agency supervisor since 1942. His primary responsibility will be training of agents. Before joining American he was an agent for Massachusetts Mutual for nine years and a general agent for Mutual Trust for two years.

Mr. Conley joined the company in 1948 at Omaha and was appointed field supervisor in 1954.

Mr. Kirke recently joined American after four years with Continental Assurance as assistant superintendent of agencies. He had previously been associated with his father, who was general agent at Des Moines for Lincoln National. His duties with American will be recruiting and developing new agencies as well as promotion of brokerage business.

B.M.A. Promotes J. H. Bolin Jr.



John H. Bolin Jr.

Business Men's Assurance has appointed John H. Bolin Jr. special reinsurance representative.

Mr. Bolin joined the new business department of B.M.A. in 1948 and during the last few years has been one of the senior underwriters. He is past president of Kansas City Risk Selectors Club.

Comey Milwaukee Chief

Milwaukee Assn. of Life Underwriters elected Aubrey Comey, National Life of Vermont, president to succeed Clyde Coffel, Phoenix Mutual Life.

Other officers elected were: Harry A. Taylor of John Hancock and Herbert L. Engel of North American L.C., vice-presidents; Dale A. Simpkins of New York Life, secretary; Paul Von Parmgarten of Mutual Benefit Life, treasurer, and L. S. Barry of Equitable Society, Frank F. Haack Jr. of Prudential; R. E. Meissner Jr. of New York Life, W. J. Nelson of Massachusetts Mutual Life, L. E. Wolfe of Acacia Mutual Life and H. G. Bauer of Aetna Life, directors.

Charles G. Crabb, manager of the industries division of Milwaukee Chamber of Commerce, spoke. National quality awards were presented.

Ostling to State Mutual

State Mutual Life has appointed Laurence W. Ostling Jr. home office representative in charge of its Chicago group office. He formerly was a district manager of Zurich.

Leonard R. Duguay, a graduate of Wayne University, has been assigned to the Detroit group office.

Error on Okla. City CLU Officers

In the June 17 issue the officers of Oklahoma City Assn. of Life Underwriters were erroneously given as those of the city's CLU chapter.

The CLU officers are: President, Milton Asfahl, general agent Equitable Life of Iowa; vice-president, L. G. Miller, Prudential, secretary-treasurer, Charles W. Saulsbury general agent Guardian Life.

The new officers of the agents' association are: president, Michael P. Massad, general agent Connecticut Mutual; 1st vice-president, Malcolm C. White, Pacific Mutual general agent; 2nd vice-president, Charles R. Warren, Massachusetts Mutual; treasurer, Howard O. Price, Metropolitan Life, and secretary, Allen B. Johnson, Equitable Life of Iowa.

North American, Ill., Hits \$200 Million in Force

North American Life of Chicago has passed the \$200 million of life insurance in force mark. For the first five months, of 1955, the company registered sales 60% over those for the same period in 1954. Production for each month since November, 1954 has exceeded \$4 million.

The company's first \$100 million of life in force was attained in 40 years, and the second in eight years. Charles G. Ashbrook, president, predicted the \$300 million mark will be reached within four years.

Growth in A&H business, a coverage the company began writing in 1945, has been equally significant.

Baylow, Lanham Partners in Lincoln National Agency

Albert K. Baylow has been named general agent at Baltimore for Lincoln National Life in partnership with General Agent Roy B. Lanham. Formerly known as R. B. Lanham & Associates, the agency now will be



Partners in the Lincoln National Life general agency at Baltimore are from left, Albert K. Baylow and Roy B. Lanham.

Lanham-Baylow & Associates, headquarters remaining at Towson, Md.

Mr. Baylow entered insurance in 1951 with Lanham & Associates and for the past two years has had managerial responsibilities.

Mr. Lanham organized the agency in 1939 when he joined Lincoln National Life after 20 years' experience in life insurance sales and sales management work.

Open New Jordan Unit

The Earl C. Jordan agency of Massachusetts Mutual Life, Chicago, held a luncheon in Evanston, Ill., to mark the opening of its new district office there. Attending from Evanston to welcome the new manager, J. Keith MacKenzie, was Mayor John Kimbark, Bert Johnson, city manager, and Clarence Marks, president chamber of commerce. There were also the presidents and trust officers of Evanston's banks and the business manager of Northwestern University. On hand from the home office were James R. Martin, superintendent of agencies, and George W. Steinbach, director of group sales.

Mr. McKenzie started in insurance about four years ago with Continental Assurance at Chicago. He subsequently conducted a training program for life division managers until going with the Jordan agency.

Seeks GI Dependents Health Plan

A federal government financed health insurance plan for dependents of military personnel has been proposed by Dr. Henry S. Blake, representing National Medical Veterans Society, to the Senate armed services committee. Such a plan, he said, would enable dependents to have private medical care and would reduce the load on military doctors.

Marion Bills to Retire From Aetna Life July 1

Miss Marion A. Bills, assistant secretary of Aetna Life and first woman to become an officer of a Hartford insurance company, will retire July 1. Edwin B. Knauft has been appointed manager of personnel research.

Miss Bills, who holds a doctorate, was a consultant of the former Life Insurance Sales Bureau before joining Aetna Life in 1925. She was named assistant secretary in 1926 and later was appointed to a similar position in Aetna Casualty, Automobile, and Standard Fire. She pioneered inauguration of the job analysis and classification system at Aetna Life, the first life company to adopt such a plan on a company-wide basis. National Office Management Assn. awarded her the Leffingwell medal in 1940 for outstanding work in office management and personnel relations.

Mr. Knauft, who received a doctor's degree from Iowa State University, was in the field of industrial psychology before joining Aetna Life.

Group Bill Passes in Neb.

The Nebraska legislature has passed a bill which provides for issuance of individual life contracts on a wholesale basis to organizations employing between five and 40 persons.

Other bills passed include one authorizing insurers to invest in prescribed securities issued by state-chartered building and loan associations.

Advances Two in Michigan

Harold J. O'Neill Jr. has been appointed assistant manager of the Detroit branch of Continental Assurance. He formerly was assistant A&H manager there for Continental Casualty.

Martin B. McCarthy has been promoted to regional group manager for Michigan, with headquarters at Detroit. He formerly was group sales representative at the home office.

"... to promote
the spiritual,
intellectual and
physical welfare
of its members."



Through the years, LUTHERAN BROTHERHOOD has been privileged to assist the NATIONAL LUTHERAN NURSES GUILD, an organization for Lutheran graduate and student nurses.

Funds have been made available by LUTHERAN BROTHERHOOD for publication of the monthly bulletin, "News for Nurses," which is distributed to more than 20,000 members of the NATIONAL LUTHERAN NURSES GUILD.

In addition, LUTHERAN BROTHERHOOD has inaugurated a program of two \$500 scholarships each year for advanced study by graduate nurses selected by the NATIONAL LUTHERAN NURSES GUILD.

This is another example of LUTHERAN BROTHERHOOD's purpose, as stated in its Articles of Incorporation, "... to provide education and instruction ... and otherwise to promote the spiritual, intellectual and physical welfare of its members."

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Oates Doctrine a Good Bet but Not Sure Thing

(CONTINUED FROM PAGE 2)

that the lump sum will be unduly large and thereby heavily taxed to the agent or his beneficiary in the final year.

"We believe this hazard can be avoided. At the end of the 10-year period following death or retirement, the fund forming the basis of future payments will be a known factor and it can then be spread over the balance of the period of payment on an accurate mathematical basis, so that the fund will be completely exhausted with the last installment. This feature will be helpful in eliminating the dangers inherent in inaccurate attempts to estimate the amount of the payments far in advance and may save some interim changes which would become necessary under the more conventional form."

As to when the spread commission amendment should be elected by the agent, Mr. Barker said if it is designed to take effect at death, it may be chosen whenever the agent meets the requirements established by his own company. In the case of retirement, however, there are some significant differences, one of which is that the event itself can be predicted with reasonable accuracy. Under the doctrine of the Oates case it is possible to make the election at any time prior to actual retirement, and the advantage in postponing this choice to the eve of retirement is that the agent will then know more about his own circumstances, including the status of his own health, his family, and his resources.

"It has, however, been suggested that the entire taint of constructive receipt can be removed if the spreading arrangement is elected at least 10 years before retirement, as it will then simply entail a method of compensation for future business," said Mr. Barker. "It is possible that this could be worked out by a graded scale of percentages to be applied to the premium after re-

tirement; but if the fund approach sanctioned by the Oates case is used or if the agent wishes to reserve some right to modify his choice within his last 10 years of active service, then it might be contended that little will be gained by an election so far in advance."

Mr. Barker said the New England Mutual has designed a single set of factors based on average persistency during each of the 10 12-month periods preceding the date of death or retirement with a separate factor applied to each year of issue. These factors can then be applied to renewal premiums, so that a reasonably accurate estimate of the monthly installment may be made for the first 10 years of the spreading period.

Mr. Barker pointed out that it should be borne in mind that a spread-out commission arrangement is not feasible where commissions have been assigned and all prior assignments should be released before such an amendment can be executed.

"Some consideration has been given to the project of establishing a fund with commissions as they accrue and then spreading them on a level extended basis while the agent is continuing in active service," said Mr. Barker. "Even if this leveling out were made irrevocable, which would seem essential, I would expect the taxing authorities to contend that the agent is continuing on the original basis when the commissions are deposited in this particular fund. In other words, I would prefer to adhere to the basic contract during the active service of the agent and if necessary reduce the percentages of his commissions in the earlier years and then spread the actuarial equivalent of this reduction over subsequent years. No problem of constructive receipt will arise if the business is written after the commission contract is executed."

Mr. Barker also discussed the use of testamentary trusts, outright bequest, marital deduction, selection of beneficiaries, and selection of an attorney.

ALC Medical Unit Elects Dr. Cole at Annual Meet

(CONTINUED FROM PAGE 2)

the part of the buyer might also involve transferring the dissatisfaction to the physician and, therefore, to the medical profession. He called for medical section members to assist in increasing the effectiveness of groups dedicated to the service of public interest because they represent both groups—insurance and medicine.

Following opening remarks by the section chairman, Dr. J. P. Donelan, Guarantee Mutual, greetings were extended by Claris Adams, executive vice-president of ALC, and Dr. Richard L. Willis, Mutual of New York, president of Assn. of Life Insurance Medical Directors.

Other speakers were J. Henry Smith, vice-president and associate actuary of Equitable Society; Dr. Harry A. Cochran Jr., Lincoln National Life; Dr. G. R. Collyer, London Life; Dr. L. H. Snyder, University of Oklahoma; Dr. I. H. Page, Cleveland Clinic, and Dr. M. P. Broisma, Woodmen Accident & Life.

There also was a panel discussion on "Digestive Tract Disorders," moderated by Dr. R. M. Filson, Travelers. Participants were Drs. Theodore M. Ebers of Connecticut Mutual, Kenneth F. Brandon of Aetna Life, Lyon H. Earle Jr. of Connecticut General and Robert A. Goodell of Phoenix Mutual.

Mr. Smith described major medical as one of the most important of new health insurance developments. He added that in spite of recent newspaper criticism and federal trade commission examination of advertising practices, a most significant trend is the increased reliance on voluntary health programs.

The problem of providing adequate insurance against ill-health, as seen by Mr. Smith, will be conquered by the active cooperation of insurance men with the men of the medical profession to reach a common understanding of each others needs and problems.

Dr. Cochran said it is a pressing challenge to the life insurance business to place cases of coronary artery disease in a group in which expected extra mortality can be priced fairly and with reasonable accuracy. His paper, written in cooperation with Norman F. Buck, associate actuary of Lincoln National, presented evidence gathered from a program his company has undertaken in investigating this field. While all fears have not been eliminated, nevertheless through the experiment there has been a lessening of the anxiety once displayed toward the impairment.

Dr. Snyder advised life companies to examine statistics being accumulated through research in genetics. For example, he mentioned that diagnosis of the physical conditions of persons applying for life insurance often can be helped by taking into account genetic family history. He told of the experience of one man refused insurance on the grounds he showed symptoms of diabetes. The man later was examined by another doctor who found the same symptoms were prevalent in all the other members of the man's family. The condition actually was renal diabetes, a derangement which does not shorten life. On this basis, insurance was issued.

Because medical men in the insurance business are always seeking ways

to make coverage available to everyone, he advocated the genetic approach as a way to furnish additional information which will make it possible to issue insurance to persons who have been considered uninsurable.

Dr. Collyer reported there has been a general improvement in the life expectancy of children which is parallel to that of the population in general. According to Canadian statistics, he said the death rates on juveniles are considerable from 0 to 5 years and then are very low. The greatest proportion of deaths occur during the first year. Of more than 4,000 juvenile cases examined by his company over a six-month period last year, he said only 69 were postponed, declined or cancelled, something that should be "very encouraging" to the underwriter.

Pru Offers New 5-Year Convertible Term Policy

Prudential will offer an improved five-year convertible term policy providing a \$20,000 minimum and a renewable feature not previously included in its policies of this type.

The policy is intended primarily for businesses where large amounts are involved. Term coverages for less than \$20,000 will be handled under other term plans. Replacing the present five-year convertible term contract, it provides that at the expiration of any term period, the policy may be renewed for another five-year period by paying the increased premium at the attained age. No evidence of insurability is required, provided the age nearest the birthday of the insured at the date of renewal is not over 64 years.

Prudential's new five-year convertible term policy will be issued only on a standard basis at ages 20 to 59. It may be issued with double indemnity, (but only through age 55), aviation extra or preliminary term. The extra premium for double indemnity may change at the beginning of a renewal period and will be based on the then-attained age of insured. Policies with or without double indemnity may be renewed through age 64.

If the insured becomes totally disabled before age 60, premiums will be waived during disablement on the renewable term basis to the end of the renewable term basis beyond age 64. The insured may convert to life paid-up at 85 or modified three while disabled and while the policy or any renewal is in force, after which the premium on the converted policy will be waived during continuance of the disability.

The new policy will not be issued with irregular premium or temporary extra premium.

Age	Prem. per \$1,000	Dividend 5 Years	Totals 10 years	per \$1,000 20 years
25	\$ 7.51	\$ 8.17	\$19.41	\$ 48.88
30	8.28	8.07	21.59	58.80
35	9.62	9.58	25.53	76.45
40	11.71	11.24	32.50	103.23
45	15.45	15.38	45.04	142.77
50	21.59	22.09	63.16	
55	31.35	31.25	87.91	
60	40.29			
64	55.54			

Minneapolis Agents Hear Wallace
Travis T. Wallace, president of Great American Reserve, spoke at the annual meeting of Minneapolis Life Underwriters Assn.

G. Bennett Serrill, American Mutual Life of Iowa, was elected president. Other new officers are: Douglas Wadlund of Crown Life, Freeland Harlow and H. Mason King, both of Northwestern Mutual Life, vice-presidents; Howard L. DeVries, Minnesota Mutual Life, secretary-treasurer; J. Norval Mulligan, Midland National Life, trustee, and E. L. Robb Jr., National Life of Vermont, director.

WANT ADS

Rates—\$18 per inch per insertion—1 inch minimum. Limit—40 words per inch. Deadline 5 P. M. Friday in Chicago office—175 W. Jackson Blvd. Individuals placing ads are requested to make payment in advance.

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If you are looking for a better future, this is it. Write, giving complete background and experience to Box F-58, The National Underwriter Co., 175 W. Jackson Blvd., Chicago 4, Illinois.

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Reply in confidence to—Advertising Department, Box NY-35, The National Underwriter Co., 99 John Street, New York 38, New York.

Midland Mutual Life Enters A&H Field

Midland Mutual Life has entered the A&H field, offering six commercial-type contracts:

(1) Loss of time and income due to total disability. (2) For total disability plus a number of optional benefits, including partial disability in case of accident; loss of life, limb or sight; blanket medical expense for accidents; hospital and surgical expense in the event of sickness. (3) Loss of time protection in case of total disability resulting from an accident along with the following optional features—partial disability, loss of life, limb or sight and blanket medical expense. (4) Accident expense, designed particularly for housewives, children, students and retired people. (5) Family hospital expense, and (6) individual hospital expense.

The new A&H contracts contain a number of special features: Disability income contracts provide for waiver of premium; house confinement is not required and partial disability benefit is 50% of the total disability benefit.

All of the Midland Mutual contracts are participating. There is no prorating of benefits for a claim because of a change in occupation and air travel is covered while insured is a passenger anywhere and in any type of aircraft.

The company has developed a complete A&H kit of educational and promotional aids. This material includes selling and product information guides, a selection of newspaper advertising mats, direct mail service, and a variety of sales presentation folders.

The program is being presented to field men in a series of regional meetings conducted by agency and underwriting personnel from the home office.

Provident Mutual Names G. Y. Clark at Chicago

Provident Mutual Life has appointed Garnett Y. Clark manager of Chicago No. 9 agency, succeeding William T. Moffly who has resigned from his duties because of health.

Mr. Clark has been with the company's Hooper agency, Annapolis, since 1938. He was a member of Million Dollar Round Table in 1952 and 1954.

Mr. Moffly, who was assistant manager of agencies before serving in Chicago, will return to the home office.

Buffalo Managers Elect Eavenson New President

Buffalo Life Managers Assn. has elected William R. Eavenson, Guardian Life, president, succeeding William H. Ross, Home Life.

Also elected were: Ray S. Spurr, Fidelity Mutual Life, vice-president; Charles F. Bartlett, Provident Mutual Life, secretary; and Frank C. Nicosia, Metropolitan Life, treasurer. Dominic P. Comardo, Prudential, Karl J. Peterson, Equitable Society, and Sorman L. Utts, Paul Revere Life, were elected to the board.

Franklin May Sales Up 21%

Franklin Life's new paid sales during May (excluding annuities) totaled \$38,400,000, a gain of 21% over the same month last year. Paid business during the first five months of 1955 shows a gain of 15% over 1954.

Franklin is conducting a sales campaign during June to honor Vice-President and Director of Agencies J. V. Whaley.

Life Agency Cashiers of Chicago at the May meeting heard Stuart D. Hecox, director of sales training Mutual Trust Life, talk on "Play To Your Strength."

GROUP INSURANCE AND GROUP ANNUITY COVERAGE — CONTINENTAL UNITED STATES BUSINESS — 1954

All Life, Accident and Health, and Casualty Insurance Companies

Compiled by the Life Insurance Association of America

Kind of Coverage	Year	New Business Issued During Year			Total in Force December 31			Premiums and Considerations During Year
		Number of Master Policies	Number of Individuals Covered	Total Amount of Coverage	Number of Master Policies	Number of Individuals Covered	Total Amount of Coverage	
Group Life Employee Coverage	1954	12,100	3,480,000	\$13,172,000,000	81,210	27,476,000	\$85,794,000,000	\$843,400,000
	1953	11,490	2,040,000	6,097,000,000	74,450	25,359,000	72,501,000,000	767,600,000
	1952	10,290	1,504,000	5,162,000,000	67,960	22,856,000	62,617,000,000	676,200,000
Dependent Coverage	1954	290	237,000	151,000,000	1,220	1,055,000	601,600,000	\$1,100,000
	1953	290	232,000	146,000,000	980	711,000	412,600,000	1,700,000
	1952	270	164,000	91,000,000	760	573,000	296,000,000	1,700,000
Group Creditor's Life	1954	4,850	2,382,000	955,000,000	22,410	16,236,000	7,917,000,000	69,100,000
	1953	4,790	2,509,000	1,432,000,000	18,520	13,546,000	6,855,000,000	58,000,000
	1952	3,400	1,487,000	915,000,000	14,390	10,850,000	4,971,000,000	39,700,000
Wholesale Life (Ordinary)	1954	Units	45,000	105,000,000	Units	291,000	619,000,000	11,000,000
	1953	3,370	37,000	88,000,000	32,120	291,000	589,000,000	10,400,000
	1952	1,880	26,000	55,000,000	30,490	272,000	556,000,000	10,500,000

Group Annuities	Year	Number of Policies	Number of Individuals Covered	Total Amount of Coverage	Number of Master Policies	Number of Individuals Covered	Total Amount of Coverage	Premiums and Considerations During Year
Group Annuities	1954	430	102,000	\$9,900,000	4,170	3,185,000	\$1,025,000,000	\$990,000,000
	1953	450	117,000	*9,700,000	*3,820	*3,010,000	*915,000,000	*965,000,000
	1952	360	111,000	*10,000,000	*3,330	*2,725,000	*790,000,000	850,000,000

Kind of Coverage	Year	Number of Master Policies	Number of Individuals Covered	Total Amount of Coverage	Number of Master Policies	Number of Individuals Covered	Total Amount of Coverage	Premiums and Considerations During Year
Group Accident and Health (Weekly Indemnity)	1954	24,740	1,278,000	\$5,100,000	214,020	18,323,000	\$52,000,000	473,600,000
	1953	28,260	1,649,000	\$5,300,000	217,500	18,739,000	\$53,000,000	461,000,000
	1952	26,450	1,593,000	\$4,600,000	216,090	17,623,000	\$48,000,000	410,100,000
Group Hospital Expense Employee Coverage	1954	13,000	1,368,000	\$16,800,000	76,850	14,281,000	\$131,000,000	227,300,000
	1953	12,790	1,735,000	\$18,900,000	69,990	14,386,000	\$120,000,000	193,100,000
	1952	13,400	1,637,000	\$16,300,000	66,540	12,959,000	\$102,000,000	154,500,000
Dependent Coverage	1954	12,170	2,044,000	\$20,500,000	68,250	20,729,000	\$168,000,000	285,900,000
	1953	11,900	2,623,000	\$26,800,000	60,970	19,734,000	\$153,000,000	249,700,000
	1952	11,470	2,211,000	\$20,100,000	53,690	16,730,000	\$123,000,000	191,800,000
Group Surgical Expense Employee Coverage	1954	12,830	1,447,000	\$77,700,000	77,070	14,913,000	\$4,220,000,000	104,100,000
	1953	12,880	1,844,000	\$82,400,000	71,910	14,910,000	\$3,113,000,000	93,900,000
	1952	13,670	1,765,000	\$90,000,000	68,570	13,617,000	\$2,710,000,000	79,200,000
Dependent Coverage	1954	12,160	2,269,000	\$54,500,000	66,990	20,654,000	\$4,220,000,000	183,600,000
	1953	12,160	2,842,000	\$62,600,000	61,210	19,046,000	\$3,680,000,000	157,700,000
	1952	11,950	2,481,000	\$49,800,000	53,520	15,955,000	\$2,904,000,000	122,500,000
Group Medical Expense Employee Coverage	1954	7,570	1,100,000	\$1,100,000	31,270	7,463,000	\$1,100,000	31,200,000
	1953	8,210	1,492,000	\$1,492,000	28,570	6,770,000	\$1,100,000	27,100,000
	1952	7,170	1,022,000	\$1,022,000	23,710	5,367,000	\$1,100,000	21,400,000
Dependent Coverage	1954	6,350	1,506,000	\$1,506,000	25,090	8,256,000	\$1,506,000	24,000,000
	1953	7,420	1,837,000	\$1,837,000	22,610	6,960,000	\$1,506,000	18,200,000
	1952	6,170	1,189,000	\$1,189,000	16,680	4,745,000	\$1,506,000	12,700,000
Group Major Medical Expense Employee Coverage	1954	560	295,000	\$295,000	1,190	796,000	\$295,000	8,800,000
	1953	280	193,000	\$193,000	650	514,000	\$295,000	4,500,000
	1952	270	226,000	\$226,000	420	289,000	\$295,000	1,600,000
Dependent Coverage	1954	530	500,000	\$500,000	1,120	1,093,000	\$500,000	9,600,000
	1953	260	253,000	\$253,000	610	528,000	\$500,000	4,600,000
	1952	260	213,000	\$213,000	400	243,000	\$500,000	1,600,000
Group Accidental Death and Dismemberment	1954	7,800	2,855,000	\$9,380,800,000	56,950	13,972,000	\$35,023,000,000	33,500,000
	1953	*8,600	*1,379,000	*3,055,700,000	*53,460	*11,803,000	*26,244,000,000	*29,500,000
	1952	9,240	1,320,000	2,553,800,000	53,570	10,673,000	22,053,000,000	27,000,000

TOTAL PREMIUMS AND CONSIDERATIONS

Year	Group, Group Creditors and Wholesale Life	Group Annuities	Group Accident and Health	Total
1954	\$927,000,000	\$990,000,000	\$1,382,000,000	\$3,299,000,000
1953	\$831,000,000	*965,000,000	1,239,000,000	*3,035,000,000
1952	728,000,000	860,000,000	1,022,000,000	2,610,000,000
1951	624,000,000	*775,000,000	853,000,000	*2,252,000,000
1950	5,900,000	*690,000,000	629,000,000	*1,878,000,000
1949	489,000,000	*530,000,000	460,000,000	*1,479,000,000
1948	439,000,000	540,000,000	386,000,000	1,365,000,000
1947	402,000,000	450,000,000	306,000,000	1,158,000,000

* Revised

Master policies and certificates providing more than one coverage were counted for each kind of coverage.

Group annuity data compiled by the Institute of Life Insurance.

This survey represents data of the 427 United States and Canadian insurance companies which write group insurance.

Sileo to Guardian Life Sales Promotion Post

Guardian Life has appointed Alfred D. Sileo sales promotion assistant in the agency department. He will work with Sales Promotion Director John A. Buckley on advertising, publicity, promotion of the ordinary and A&H plans and will supervise publication of the company's field magazine, *Service*.

Mr. Sileo began his insurance advertising career with Union Labor Life, and has been director of sales promotion of U. S. Life.

Ready to Transform

The final legal obstacle blocking conversion of State Hospital Assn. of Taboro from a non-profit hospital service corporation to a stock accident and health company has been removed. Objectors failed to perfect an appeal from

a Wake superior court decision affirming Commissioner Gold's order approving the conversion. The association has indicated that it now will proceed with conversion.

Bankers Life, Neb., Sets New Business Record

Bankers Life of Nebraska wrote \$14,124,270 in new business during its "Shoot the Moon" anniversary campaign from May 1 to June 6.

Campaign production was almost \$4 million higher than the previous record and surpassed the 1954 campaign by 56%.

Elect Allen Cosmopolitan Chairman

Harold Allen, special partner of Allen & Co., New York City investment bankers, has been elected a director and chairman of Cosmopolitan Life.

Equitable Writes Group Annuity for Plumbers

Equitable Society has written a group annuity plan providing pension benefits for 1,800 union plumbers in the Fresno, Cal., area, regardless of how many contractors employ them over the years. Trustees of Valley Group Pipe Trades Pension Trust of Fresno selected Equitable Society in competition with 11 other companies.

Participating contractors contribute to the pension trust 10 cents for every hour each employ works. The fund is administered by Allied Trust Fund Administrators, Inc., with Equitable Society guaranteeing pension benefits purchased under its flexible new non-contributory deposit administration contract. The program was the idea of contractors and Fresno area locals of United Assn. of the Plumbing and Pipe Fitting Industry.

per \$1,000
20 years
\$48.88
58.80
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Lincoln National Marks 50th Anniversary

(CONTINUED FROM PAGE 1)

National, Mr. Menge described the principal benefit of these acquisitions as "the stimulation and enlargement of company potential for writing new business." He said prestige was enlarged and valuable agency personnel added.

The pioneering of scientific underwriting, "at a time when it was unpopular to do so," was described by Mr. Menge as another important growth factor. The company operated on the theory that if it was possible to insure a standard applicant for a certain premium it also would be possible to insure a substandard risk for a somewhat larger premium. The idea, he said, was "abundantly productive" of new business. Not only did company agents add to their business because of this facility, but it also came from agents of other insurers which held out against the idea.

Mr. Menge commented that Lincoln National "explored and exploited" indemnity reinsurance at the most "propitious time in the history of life insurance," and this added important impetus to company growth. During the first world war when European companies withdrew from the American reinsurance market Lincoln National aggressively moved into the field.

Mr. Menge summed up another growth factor by saying, "The world is still evolving and unfolding." The importance of this idea, which accepts change as natural and inevitable, cannot be overemphasized, he pointed out. "Life insurance, largely a response to economic needs, is essentially a handmaid of social advancement and progress. To fulfill its destiny, it must be prepared to assume new duties and responsibilities as they are presented."

Looking to the future, Mr. Menge said the facility of "adaptation and innovation and zeal to explore new horizons are very likely to continue as Lincoln National's outstanding features. He cited the present "deplorably low" per capita amount of life coverage, along with the rapid growth in population, as factors which should mean the company will be many times the present size when it celebrates its 75th anniversary. He added that "this doesn't give credit to the sales potential of the best group of agency men of any company."

Henry F. Rood, vice-president and actuary, discussed the company's wide range of policies, described its agents' group benefits, considered the problem of special policies and the variable annuity, and announced a liberalization of the dividend schedule, to become effective Oct. 1.

There will be an average increase in dividends of 10%. Heretofore the company has made dividend changes as of July 1. The change to Oct. 1 is preparatory to an ultimate Jan. 1 effective date.

Mr. Rood explained Lincoln National in 1952 responded to agent appeal for a special policy to meet competition. He said the policy when devised was extremely competitive, but in time, to maintain that position, a revision became necessary and the minimum amount was boosted.

Terming special policies the most pressing problem today, Mr. Rood wondered what the outcome will be to the "definite" trend toward a higher minimum. If there is to be a special ordinary policy, he asked if companies

wouldn't soon be considering special forms for endowment and other type insurance. He also wondered what ultimately could be the practicable minimum amount ceiling.

Net cost is not necessarily the salient point in selling life insurance, according to Mr. Rood. He mentioned as evidence the record of an extremely low net cost company which nevertheless last year had a gain of insurance in force below that of many comparable companies.

Mr. Rood said Lincoln National is studying the variable annuity closely, though no definite decisions have been made. Presently Indiana law prevents the company from issuing such coverage.

Other speakers at the opening session, presided over by Cecil F. Cross, vice-president and director of agencies, were Willard C. Brudi, 2nd vice-president, who introduced company leaders; Thomas A. Watson, 2nd vice-president who pointed out that through package plans the company has introduced a large number of its agents to advantages of group insurance, and Noboru Honda, leading agent at Chicago, who discussed his sales approach.

At the banquet in Chicago, with Mr. Menge presiding as toastmaster, V. J. Harrold, head of the Fort Wayne agency, the company's largest in insurance in force, reviewed highlights of Lincoln National history. Messrs. Cross and Brudi honored agents for outstanding achievement during the past year, particularly recognizing I. A. Cohen of the Weidner agency at Pittsburgh, agent of the year in 1954. Besides production, the honor is based on persistency and average size of policy.

With Jack E. Rawles, 2nd vice-president, presiding, panel discussions and an address by Glenn W. Isgrig, general agent at Cincinnati, were presented Tuesday and Wednesday. Participants included J. M. Abramowitz, Baltimore; R. P. Gatewood, Washington; A. L. Hallenberg Jr., Louisville; R. W. Johnson, Oakland; H. M. Lovett, Brookhaven, Ga.; J. G. Thompson, Helena, Mont.; H. E. English, Chicago; I. C. Iverson, Ogden, Utah; R. L. Phillips, Fort Wayne; William Rosenfeld, Greenville, S. C.; B. W. Teekell, Shreveport, La., and Mr. Cohen.

The closing session Thursday was addressed by Dr. Louis A. Warren, director of the Lincoln National Life Foundation; Dr. Preston Bradley, pastor of People's Church of Chicago, and Mr. Rawles.

The program included several recreational events as well as special features for wives and children.

Members of the President Club, top-ranking production group, were scheduled to go on to the Greenbrier Hotel, White Sulphur Springs, W. Va., for a special three-day stay.

San Francisco General Agents Elect C. H. Biesel

San Francisco General Agents & Managers Assn. elected Charles H. Biesel of State Mutual president to succeed Stanley B. Brooks of Guardian Life. Other new officers are: Raymond Deston of John Hancock, vice-president; Arthur D. Hemphill of Equitable Society, secretary-treasurer, and Gifford J. Hudson of American National, B. W. Walker of New York Life and Mr. Brooks, directors.

Ask Insurance Inclusion in Retirement Tax Law

(CONTINUED FROM PAGE 1)

in the event of death and to provide for retirement in old age, be preserved. Unless the legislation ultimately adopted permits the use of these existing programs as a method of funding contributions, undoubtedly there would be a tendency to surrender such programs in order to set up retirement plans that would meet the requirements of the new law. In many cases it would be socially undesirable and economically unsound for taxpayers to make this shift simply to reduce their tax burdens. Any individual retirement legislation should be so drafted that taxpayers as far as practicable will not be discouraged from continuing established savings programs."

If the individual retirement problem is to be solved along the lines of the pending legislation, life companies strongly recommend the bills be amended to include a provision permitting individuals to accumulate their retirement savings in both new and existing life policies without the intervention of a trust. Only the savings feature of the policy would qualify for tax deferment. The cost of the insurance protection as distinguished from the savings feature of the policy would not qualify. This tax treatment would parallel the use of life policies under qualified employee pension plans.

"Another related and important question is whether it is socially desirable to enact legislation which would require taxpayers to put their savings in a retirement fund or plan from which no withdrawals could be made until age 65, except in the event of total and permanent disability. No provision is made in the pending bills to permit the taxpayer to utilize his savings during periods of extreme financial need. This would very likely deter many individuals from participating in a savings program of the restricted type proposed, and might limit the benefits of the bills to those who are in very comfortable financial economic circumstances. Thus life companies believe that it would be undesirable to restrict retirement savings, whether in an insurance policy or in other forms of investment, so that they could not be withdrawn by the taxpayer in the event of personal financial emergency," ALC and LIAA said.

John Hancock Chicago General Agents Hold Meet

Some 125 life insurance men on the invitation of the John Hancock general agents in Chicago attended a tax clinic conducted there by Glynn A. Pugh and I. Jerome O'Connor, associate counsel and assistant counsel, respectively, of John Hancock. General Agent Ferrel M. Bean, who planned the forum, presided. The other general agents are Sherman M. Strong and Charles T. Rothermel Jr., vice-president of Moore, Case, Lyman & Hubbard.

Mr. Bean, in opening the clinic, pointed out that life insurance companies have had tax attorneys for 90 years but are just now getting around to applying their talents to the sales department. Mr. O'Connor summed up the pertinent points of the 1954 code, and Mr. Pugh detailed sales opportunities under the code.

New Bureau Members

Potomac and Employers Liability have joined Bureau of A&H Underwriters. The bureau now has 102 member companies.

L. & C. of Tenn. Plans Group Life Program

Life & Casualty of Tennessee will begin writing group and wholesale life group casualty through its reactivated group life division on July 1, with a goal of \$25 million in new business set for the remainder of the year.

Clyde L. Groover Jr. has been appointed group consultant to help administer the new program in the home office and field. He has been group representative of Equitable Society in Atlanta for four years and previously was an underwriter of Aetna Casualty.

Several months have been spent in planning the new program in the group field under the direction of Arnold A. Brash, manager of the group life division. The company has \$32 million of group life in force.

Equitable Managers Elect F. G. Holderman

Equitable Society's General Agents & Managers Assn. elected Fred G. Holderman Jr., Peoria, president at the three-day golden anniversary meeting in Atlantic City.

Arthur D. Hemphill, San Francisco, M. P. Dickenson, Philadelphia, and J. Brooke Johnston, New York City, were elected vice-president, secretary and treasurer, respectively.

Clyde J. Manion, Detroit, was named honor agent and Jesse O. Barbour, Morganton, N. C., was designated honor unit manager.

President Ray D. Murphy welcomed the members, wives and guests. Alvin B. Dalager, senior vice-president in charge of agency affairs, praised the group for the assistance it has given the company. He said its influence has been felt in Equitable Society affairs for a half-century.

Sets Record in May

More insurance was written in May than in any other month in the history of California-Western States Life. Ordinary production for the month



From left, L. C. Tallman, vice-president and agency manager; O. J. Lacy, honorary chairman, and R. E. Murphy, president.

traditionally set aside to honor O. J. Lacy, former president and now honorary chairman, totalled \$11,161,664, an increase of 14% over May, 1953. The previous high of \$9,152,701 was recorded in April, 1947.

The San Diego agency was production leader, followed by Sacramento and Hawaii.

Western Mich. A&H Elects Wolcott

Clarence E. Wolcott, Wisconsin National Life, has been elected president of Western Michigan A&H Assn. Other new officers are Anthony VanderHeide, Occidental Life of California, vice-president, and Roger Kitch, Lincoln National Life, secretary-treasurer.

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FIDELITY

A WELL-BALANCED COMPANY



Family Counselor . . .

The Life Underwriter helps in the making of plans for the welfare and security of the family.

Fidelity is proud of its life underwriters and family counselors and of the great job they are doing in the field.

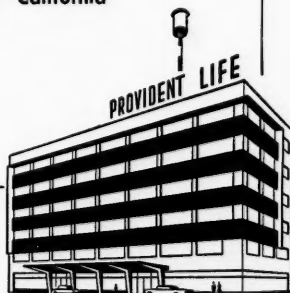
The
FIDELITY MUTUAL
LIFE INSURANCE COMPANY
THE PARKWAY AT FAIRMOUNT AVENUE
PHILADELPHIA • PENNSYLVANIA



*Minnesota *North Dakota *South Dakota *Montana
*Idaho *Washington *Wyoming *Oregon *California

GROWING?

CERTAINLY!



SO IS OUR FIELD FORCE. We at the Provident are mighty proud of our new home office building and the growth that made it possible. However, being an agency minded company, we are always conscious of the fact that a company can grow only as fast as its field force. We shall always gear our thinking and actions accordingly.

Yes, we will continue to grow because our men in the field will grow and prosper with us.

Information concerning opportunities in the "Provident States" will be supplied upon request.

THE PROVIDENT
Life Insurance Company

BISMARCK, NORTH DAKOTA

Joseph Dickman, Agency Vice President

Life - Accident - Health - Hospitalization - Annuities
Pension Trust



"The Provident States"



BIG
\$TRIDES FORWARD

I'll tell you why . . .

I'm with a quick-moving company that knows what a General Agent wants.

For instance:

— Centennial (family) Income now extends up to 50 years, or age 75 — up to \$50 a month per \$1,000 basic policy

—plus—

— Preferred Whole Life minimum reduced to \$5,000!

What an unbeatable combination for agency-building!

There may be a United States Life General Agency available in your area.

Find out today by writing Agency Department (SP).

OLDEST STOCK LEGAL RESERVE LIFE INSURANCE COMPANY IN THE U. S.

THE UNITED STATES
LIFE INSURANCE COMPANY
IN THE CITY OF NEW YORK

OUR
106TH
YEAR

ASSOCIATED WITH Continental Casualty Company, Continental Assurance Company, Transportation Insurance Company

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ANICO representatives are ANICO'S best advertisements

ROBERT E. BLACKERBY
Manager, Albuquerque, New Mexico

Mr. Blackerby became a Representative with the Denver Agency on October 1, 1949. After only a year and a half, he was promoted to Recruiting and Training Director. The outstanding job done in this position made him a natural choice for Manager when an opening occurred in the Albuquerque Agency. Since his appointment on July 16, 1952, his leadership has been apparent in maintaining the high standards of the Agency which frequently is among the leaders of the company.



YOU CAN GROW WITH ANICO

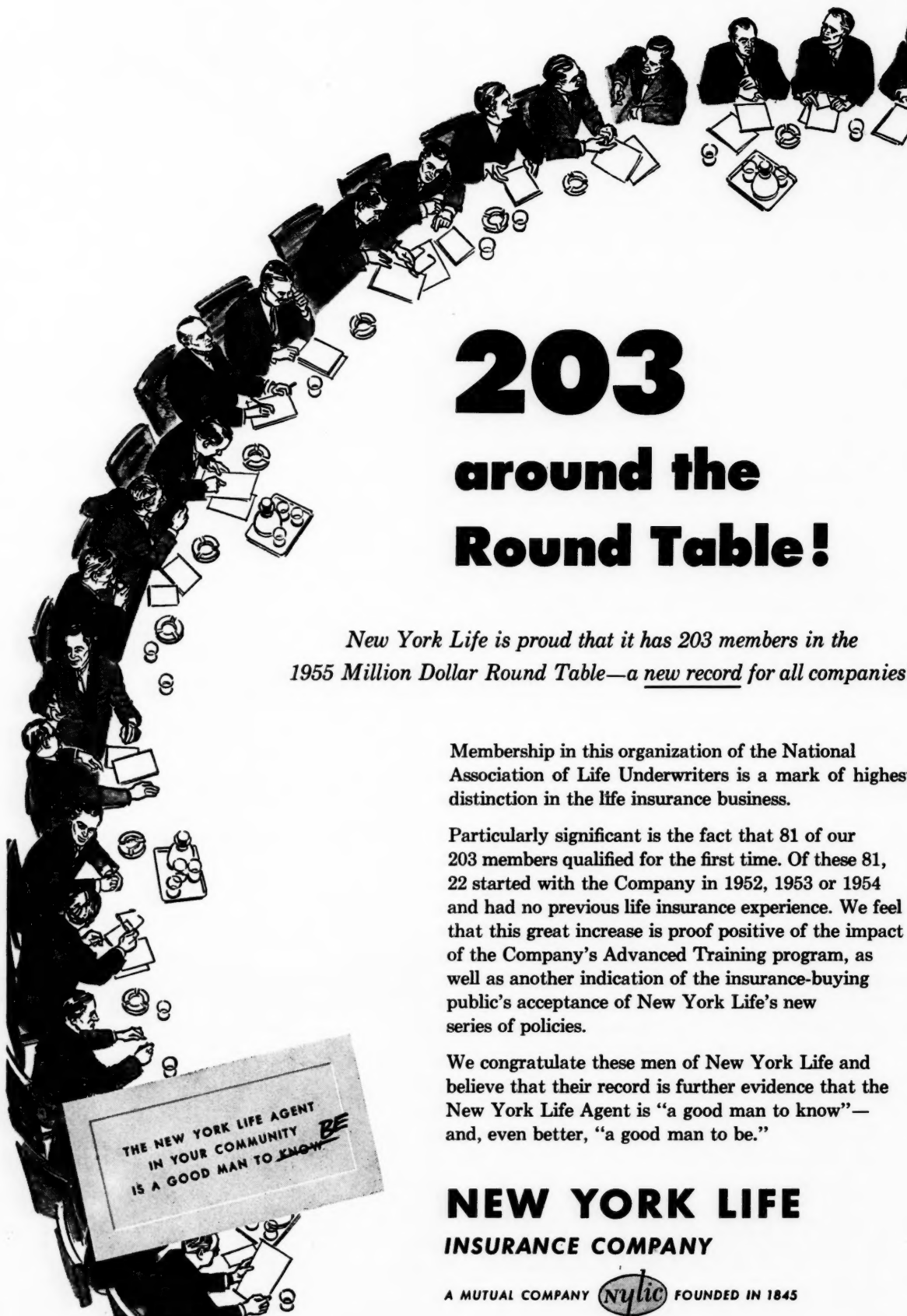
- A working contract that permits outstanding earnings.
- Policies that stand out in value against any competition.
- A management philosophy that is based on the axiom that a company succeeds only when its agency force succeeds.
- The most modern and effective selling aid program that can be devised.

For information without obligation address
"Executive Vice-President"

1905-1955 - FIFTY GOLDEN YEARS OF PROGRESS

AMERICAN NATIONAL INSURANCE CO.
GALVESTON, TEXAS

OVER 3 BILLIONS OF LIFE INSURANCE IN FORCE



203 around the Round Table!

New York Life is proud that it has 203 members in the 1955 Million Dollar Round Table—a new record for all companies!

Membership in this organization of the National Association of Life Underwriters is a mark of highest distinction in the life insurance business.

Particularly significant is the fact that 81 of our 203 members qualified for the first time. Of these 81, 22 started with the Company in 1952, 1953 or 1954 and had no previous life insurance experience. We feel that this great increase is proof positive of the impact of the Company's Advanced Training program, as well as another indication of the insurance-buying public's acceptance of New York Life's new series of policies.

We congratulate these men of New York Life and believe that their record is further evidence that the New York Life Agent is "a good man to know"—and, even better, "a good man to be."

NEW YORK LIFE
INSURANCE COMPANY

A MUTUAL COMPANY  FOUNDED IN 1845